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July 20, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#26 JULY 20, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**AUTHORIZE THE DISTRICT ATTORNEY TO ENTER INTO A CONTRACT
WITH NATIONAL CORRECTIVE GROUP, INC.
DBA: CORRECTIVESOLUTIONS FOR
BAD CHECK RESTITUTION PROGRAM SERVICES
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

This is to request that your Board approve and enter into a Bad Check Restitution Program Services Contract with National Corrective Group, Inc. DBA: CorrectiveSolutions to provide Bad Check Restitution Program Services to the District Attorney's Office.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Chair to sign the attached Contract, by and between Los Angeles County and National Corrective Group, Inc., DBA: CorrectiveSolutions, to provide Bad Check Restitution Program Services for the District Attorney's Office. This Contract is for a twelve-month period commencing July 31, 2010, or upon execution by the Board of Supervisors, which ever is later.
2. Authorize the District Attorney, on behalf of the County of Los Angeles, to execute up to two additional one-year periods and three month-to-month extensions.
3. Delegate authority to the District Attorney to approve any subsequent amendments and/or modifications that do not increase the net county cost of the program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval of the attached Contract with CorrectiveSolutions will continue bad check restitution program services in Los Angeles County. On August 17, 1999, your Board awarded the first Bad Check Restitution Program Services Contract after it was determined that providing these services under an agreement with a private contractor, rather than operate an in-house program, was legally, economically, and programmatically feasible and desirable. This will be the fourth contract awarded for these program services.

Penal Code Section 1001.60 authorizes the District Attorney to contract with a private entity to conduct the program.

Implementation of Strategic Plan Goals

Consistent with the Los Angeles County Strategic Plan Goal No. 1, Operational Effectiveness, this agreement will maximize the effectiveness of the County's processes, structure, and operations to support timely delivery of customer-oriented and efficient services to both victims of bounced checks and check writers. In addition, the recommended action supports Strategic Goal No. 5, Public Safety, as this agreement improves the safety and security of the people of Los Angeles County.

FISCAL IMPACT/FINANCING

CorrectiveSolutions will offset District Attorney pre-prosecution staffing costs; therefore, there is no net county cost for the program.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In 1986, the Los Angeles County District Attorney's Office established an in-house Bad Check Enforcement Services Program as a central clearing-house for non-sufficient funds (NSF) checks. Legal authority for the Bad Check Restitution Program is found in the California Penal Code Section 1001.60, enacted in 1985 by the California Legislature (Senate Bill 1108).

This Contract is for a twelve-month period commencing July 31, 2010, or upon execution by the Board of Supervisors, whichever is later. This Contract may be extended for two (2) additional one-year periods and three (3) month-to-month extensions, for a maximum total contract term of three years and three months.

CorrectiveSolutions is in compliance with all Board, Chief Executive Office, and County Counsel requirements. The Contract has been approved as to form by County Counsel.

CONTRACTING PROCESS

The District Attorney's Office released a Request for Proposal (RFP) for Bad Check Restitution Program Services on January 19, 2010. The RFP was advertised on the Los Angeles County

Website and in the Daily News and Los Angeles Times newspapers. Seventeen RFPs were mailed to firms that requested copies. Five bidders were present at an optional Proposers Conference on February 9, 2010. Three proposals were received, evaluated, and ranked.

Evaluation committee members independently scored each proposer solely on the information presented in the proposals submitted. In the overall evaluation, CorrectiveSolutions was ranked the highest at the conclusion of the evaluation process. The committee concurred that CorrectiveSolutions was qualified to perform the required services and should therefore be awarded the Contract.

The department has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended Contract since authority to contract is expressly provided by statute.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This program does not propose attorney staff augmentation. Therefore, the District Attorney's Office is not subject to the Board motion of December 15, 1998, requiring clearance with the Alternate Public Defender, Probation, Public Defender and Sheriff's Departments.

CONCLUSION

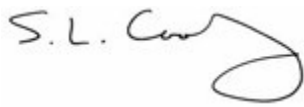
Following Board approval, the Executive Officer-Clerk of the Board is requested to return two copies of the adopted Board Letter and two copies of the approved Contract, containing original signatures, to the District Attorney's Office, 201 North Figueroa Street, Suite 1300, Los Angeles, California 90012, Attention: Bad Check Restitution Program. Any questions may be directed to Mr. Luis Alvarez at (213) 202-7630.

The Honorable Board of Supervisors

7/20/2010

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Respectfully submitted,

A handwritten signature in dark ink, appearing to read "S.L. Cooley". The signature is fluid and cursive, with a large, stylized loop at the end.

STEVE COOLEY

District Attorney

la

Enclosures

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel



CONTRACT

BY AND BETWEEN

**COUNTY OF LOS ANGELES
DISTRICT ATTORNEY'S OFFICE**

AND

**NATIONAL CORRECTIVE GROUP, INC.
DBA: CORRECTIVESOLUTIONS**

FOR

BAD CHECK RESTITUTION PROGRAM SERVICES

77384

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**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
NATIONAL CORRECTIVE GROUP, INC.
DBA: CORRECTIVESOLUTIONS
FOR
BAD CHECK RESTITUTION PROGRAM SERVICES**

This Contract and Exhibits made and entered into this 20th day of JULY, 2010 by and between the County of Los Angeles, District Attorney's Office hereinafter referred to as COUNTY and National Corrective Group, Inc. (DBA: CorrectiveSolutions), hereinafter referred to as CONTRACTOR. The CONTRACTOR is located at 910 Calle Negocio, Suite 300, San Clemente, CA 92673.

RECITALS

WHEREAS, the COUNTY desires to contract for services provided by the CONTRACTOR; and

WHEREAS, pursuant to Cal. Penal Code Section 1001.60 et seq., the Los Angeles County Board of Supervisors, herein after referred to as BOARD, declared sufficient funds exist to underwrite the program, and the District Attorney create an in-house bad check diversion program.

WHEREAS, the CONTRACTOR is duly qualified to engage in the business of restitution services as set forth hereunder, and warrants that it possesses the competence, expertise, and personnel necessary to provide such services; and

WHEREAS, the CONTRACTOR has submitted a proposal to the COUNTY for provision of such services and based upon competitive negotiation, the CONTRACTOR has been selected for recommendation for award of such contract.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

PURPOSE OF CONTRACT

The COUNTY desires to provide a bad check restitution program in Los Angeles County through a private contractor. Legal authority for the District Attorney to conduct a bad check restitution program is found in Cal. Penal Code Sections 1001.60 through 1001.67, enacted in 1985 by the California Legislature. Cal. Penal Code Section 1001.60 expressly authorizes a private entity to conduct the bad check restitution program under Contract with the COUNTY.

The CONTRACTOR was identified in an open competitive bidding process, is qualified, is prepared, and desires to provide the bad check restitution services, now required by the COUNTY. In 1986, the Los Angeles County District Attorney's Office established an in-house Bad Check Restitution Program as a central clearinghouse for non-sufficient fund (NSF) checks. It was determined after a study was completed, that providing bad check restitution services under a contract with a private contractor, rather than continuing the operation of the Los Angeles County existing in-house bad check diversion program was legally, economically, and programmatically feasible and desirable.

Overview of Services

The CONTRACTOR shall assume daily operational responsibility of the County's Bad Check Restitution Program upon execution of this Contract; establish a bad check diversion program here in Los Angeles County, and provide all related services in accordance with the Contract.

The Bad Check Restitution Program shall assist the COUNTY in the recovery of restitution for victims of bad checks drawn against closed or non-sufficient funds (NSF) accounts. The CONTRACTOR shall review and process complaints from bad check victims; locate, contact and collect restitution, administrative and diversion class fees from bad check writers; refer bad check cases to the LADA for criminal prosecution as directed by the LADA; and enroll bad check writers who agree to pay restitution in an intensive eight hour counseling and diversion class. The CONTRACTOR shall manage all pertinent case files and shall conduct a special eight-hour educational class for bad check offenders diverted from prosecution or ordered to attend class by a court.

The CONTRACTOR shall develop and maintain an effective awareness campaign aimed at providing local small businesses throughout the COUNTY with multi-language informational materials, and an alternative bad check prevention strategy contained in the Bad Check Restitution Program; and anticipate and respond to growth in program volume by increasing program staffing and presence in Los Angeles County as necessary to perform as required by this Contract.

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, H, and I are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority.

Standard Exhibits:

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Pricing Schedule
- 1.3 EXHIBIT C - Contractor's Proposed Schedule
- 1.4 EXHIBIT D - Contractor's EEO Certification

- 1.5 EXHIBIT E - County's Administration
- 1.6 EXHIBIT F - Contractor's Administration
- 1.7 EXHIBIT G - Forms Required at the Time of Contract Execution
- 1.8 EXHIBIT H - Jury Service Ordinance
- 1.9 EXHIBIT I - Safely Surrendered Baby Law

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Sub-paragraph 8.1 - Change Notices and Amendments, and signed by both parties.

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Board:** The Los Angeles County Board of Supervisors.
- 2.2 **Contract:** Agreement executed between the COUNTY and the CONTRACTOR. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.3 **Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the COUNTY to perform or execute the work covered by the Statement of Work.
- 2.4 **Contractor's Project Manager:** The individual designated by the CONTRACTOR to administer the Contract operations after the Contract award.
- 2.5 **County Contract Project Manager:** Person with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the CONTRACTOR.
- 2.6 **County Project Director:** Person designated by the County Executive Director to oversee and ensure contract compliance under the Contract.
- 2.7 **County Executive Director:** Person designated by COUNTY with authority for COUNTY on contractual or administrative matters relating to this Contract.
- 2.8 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.9 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

3.0 WORK

- 3.1** Pursuant to the provisions of this Contract, the CONTRACTOR shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.
- 3.2** If the CONTRACTOR provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the CONTRACTOR, and the CONTRACTOR shall have no claim whatsoever against the COUNTY.

4.0 TERM OF CONTRACT

- 4.1** The term of this Contract shall be one (1) year commencing July 31, 2010 after execution by the BOARD, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2** The COUNTY shall have the sole option to extend this Contract term for up to two (2) additional one-year periods and six (6) month to month extensions, for a maximum total Contract term of three (3) years and six (6) months. Each such option and extension shall be exercised at the sole discretion of the District Attorney.

5.0 CONTRACT SUM

- 5.1** For the services performed under this Contract, the CONTRACTOR shall be compensated according to the rates set forth in the Contractor Pricing Schedule – Exhibit B.
- 5.2** The CONTRACTOR shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the CONTRACTOR'S duties, responsibilities, or obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the COUNTY'S express prior written approval.
- 5.3 No Payment for Services Provided Following Expiration/Termination of Contract**

The CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the CONTRACTOR after the expiration or other termination of this Contract. Should the CONTRACTOR receive any such payment it shall immediately notify the COUNTY and shall immediately repay all such funds to the COUNTY. Payment by the COUNTY for services rendered after expiration/termination of this Contract shall not constitute a waiver of

the COUNTY'S right to recover such payment from the CONTRACTOR. This provision shall survive the expiration or other termination of this Contract.

6.0 ADMINISTRATION OF CONTRACT – COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following Sub-paragraphs are designated in *Exhibit E - County's Administration*. The COUNTY shall notify the CONTRACTOR in writing of any change in the names or addresses shown.

6.1 County Executive Director:

- County Executive Director or designee has authority to ensure that the objectives of this Contract are met;
- County Executive Director or designee has authority to make changes in the terms and conditions of this Contract in accordance with Sub-paragraph 8.1, Change Notices and Amendments;
- County Executive Director or designee has authority to provide direction to the CONTRACTOR in the areas relating to the COUNTY policy, information requirements, and procedural requirements; and
- County Executive Director or designee shall have complete and exclusive authority in all substantive questions, including without limitation, interpretation of Federal, State, and local laws, civil procedures, legal process, court rules and administrative regulations.

6.2 County Project Director

The responsibilities of the County Project Director include:

- meeting with the Contractor's Project Manager as needed; and
- overseeing and ensuring contract compliance under the Contract.

Neither the County Project Director nor County Project Manager is authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate the COUNTY in any respect whatsoever.

6.3 County Project Manager

The County Project Manager is responsible for the following:

- overseeing the day-to-day administration of this Contract; and

- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the CONTRACTOR.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor's Project Manager

- 7.1.1** The CONTRACTOR shall provide a full-time, Contractor's Project Manager in the office servicing the contract to act as liaison for the CONTRACTOR in coordinating the performance under the Contract. The CONTRACTOR shall provide to the COUNTY in writing of the name, address, telephone number, facsimile number, and e-mail address in *Exhibit F - Contractor's Administration*, of the individual designated to act as Contractor's Project Manager, or any alternate, and provide a current copy of the person's resume at the time the contract is executed and as changes occur.
- 7.1.2** The Contractor's Project Manager shall be responsible for the CONTRACTOR'S day-to-day activities as related to this Contract and shall coordinate all issues with the County Project Director and/or the County Project Manager on a regular basis.
- 7.1.3** At a minimum, the Contractor's Project Manager or designee shall be available between 8:00 a.m. and 5:00 p.m. (PST), Monday through Friday, except on COUNTY recognized holidays, for telephone contact and to meet with COUNTY personnel designated to discuss the operation of the Contract. The Contractor's Project Manager shall have full authority to act for the CONTRACTOR on all matters relating to the daily operation of the Contract. When Contract work is performed at times other than described above, or when the Contractor's Project Manager cannot be present, an equally responsible individual shall be designated to act on behalf of the Contractor's Project Manager.
- 7.1.4** The selection of, and any changes in, the Contractor's Project Manager and/or designated Authorized Representative shall be reported in writing, to the County Project Manager.

Minimum qualifications include:

- A Bachelor's degree in Management, Business Administration, or related field, and
- Three (3) years experience managing the contract of a firm performing bad check diversion, or
- Five (5) years management experience managing the contract of a firm performing similar restitution services.

The Contractor's Project Manager and designee shall be able to read, write, speak, and understand English.

7.2 Other Key Personnel

The COUNTY and the CONTRACTOR shall each designate other key personnel to perform services under this Contract. Prior to the official commencement date of this Contract, the CONTRACTOR shall provide the COUNTY with a list of all persons or entities it intends to employ in connection with this Contract. The CONTRACTOR must also notify the COUNTY of any staff changes as they occur, which may affect its ability to perform at any time over the life of this Contract.

The CONTRACTOR shall maintain a level of staffing commensurate with the timely processing of NSF complaints, public contacts, and educational requirements, and shall hire and train all qualified staff necessary to perform the various Bad Check Restitution Program functions, including but not limited to the following:

- Project Manager
- Community Relations Field Representative(s)
- Account Clerks
- Accountants
- Information Processing Technicians
- File Clerks
- Telephone Operators
- Diversion Class Coordinator
- Diversion Class Instructors

7.3 Approval of Contractor's Staff

The COUNTY has the absolute right to approve or disapprove all of the CONTRACTOR'S staff performing work hereunder and any proposed changes in the CONTRACTOR'S staff, including, but not limited to, the Contractor's Project Manager.

7.4 Contractor's Staff Identification

The CONTRACTOR shall provide, at the CONTRACTOR'S expense, all staff providing services under this Contract with a photo identification badge.

7.5 Background and Security Investigations

7.5.1 Each of the CONTRACTOR'S staff performing services under this Contract who is in a designated sensitive position, as determined by the COUNTY in the COUNTY'S sole discretion, shall undergo and pass a background investigation to the satisfaction of the COUNTY as a condition of beginning and continuing to perform

services under this Contract. Such background investigation may include, but shall not be limited to, criminal conviction information obtained through fingerprints submitted to the California Department of Justice. The fees associated with the background investigation shall be at the expense of the CONTRACTOR, regardless if the member of the CONTRACTOR'S staff passes or fails the background investigation.

7.5.2 If a member of the CONTRACTOR'S staff does not pass the background investigation to the full and complete satisfaction of the COUNTY, the COUNTY may request that the member of the CONTRACTOR'S staff be immediately removed from performing services under the Contract at any time during the term of the Contract. The COUNTY will not provide to the CONTRACTOR or to the CONTRACTOR'S staff any information obtained through the COUNTY'S background investigation.

7.5.3 The COUNTY, in its sole discretion, may immediately deny or terminate facility access to any member of the CONTRACTOR'S staff who does not pass such investigation to the satisfaction of the COUNTY or whose background or conduct is incompatible with the COUNTY facility access.

7.5.4 Disqualification of any member of the CONTRACTOR'S staff pursuant to this Paragraph 7.5 shall not relieve the CONTRACTOR of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 Confidentiality

7.6.1 The CONTRACTOR shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, COUNTY policies concerning information technology security and the protection of confidential records and information.

7.6.2 The CONTRACTOR shall indemnify, defend, and hold harmless COUNTY, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by the CONTRACTOR, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.6, as determined by COUNTY in its sole judgment and as further defined in Paragraph 8.6.2.

- 7.6.3** The CONTRACTOR shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement," Exhibit G1.
- 7.6.4** The CONTRACTOR shall inform all of its officers, employees, non-employees, agents, and subcontractors providing services hereunder of the confidentiality provisions of this Contract. The CONTRACTOR shall cause each employee performing services covered by this Contract to adhere to the provisions of the "Contractor Employee Acknowledgement and Confidentiality Agreement," Exhibit G2.
- 7.6.5** The CONTRACTOR shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement," Exhibit G3.
- 7.6.6** Copies of all acknowledgements shall be provided to the County Project Manager.

8.0 STANDARD TERMS AND CONDITIONS

8.1 CHANGE NOTICES AND AMENDMENTS

- 8.1.1** For any change which affects the scope of work, term, Contract Sum, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the CONTRACTOR and by the COUNTY or BOARD.
- 8.1.2** The BOARD or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The COUNTY reserves the right to add and/or change such provisions as required by the BOARD or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the CONTRACTOR and by the COUNTY.
- 8.1.3** The COUNTY or BOARD, may at their sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The CONTRACTOR agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the CONTRACTOR and by the COUNTY.

8.2 ASSIGNMENT AND DELEGATION

- 8.2.1** The CONTRACTOR shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the

prior written consent of COUNTY, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, COUNTY consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the COUNTY to any approved delegate or assignee on any claim under this Contract shall be deductible, at COUNTY'S sole discretion, against the claims, which the CONTRACTOR may have against the COUNTY.

8.2.2 Shareholders, partners, members, or other equity holders of the CONTRACTOR may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of the CONTRACTOR to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of COUNTY in accordance with applicable provisions of this Contract.

8.2.3 Any assumption, assignment, delegation, or takeover of any of the CONTRACTOR'S duties, responsibilities, obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without COUNTY'S express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, COUNTY shall be entitled to pursue the same remedies against the CONTRACTOR as it could pursue in the event of default by the CONTRACTOR.

8.3 AUTHORIZATION WARRANTY

The CONTRACTOR represents and warrants that the person executing this Contract for the CONTRACTOR is an authorized agent who has actual authority to bind the CONTRACTOR to each and every term, condition, and obligation of this Contract and that all requirements of the CONTRACTOR have been fulfilled to provide such actual authority.

8.4 BUDGET REDUCTIONS

In the event that the BOARD adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of COUNTY employees and imposes similar reductions with respect to County Contracts, the COUNTY reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including

any extensions), and the services to be provided by the CONTRACTOR under this Contract shall also be reduced correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the BOARD'S approval of such actions. Except as set forth in the preceding sentence, the CONTRACTOR shall continue to provide all of the services set forth in this Contract.

8.5 COMPLAINTS

The CONTRACTOR shall develop, maintain, and operate procedures for receiving, investigating, and responding to complaints.

8.5.1 Within ten (10) business days after Contract effective date, the CONTRACTOR shall provide the COUNTY with the CONTRACTOR'S policy for receiving, investigating, and responding to user complaints.

8.5.2 The COUNTY will review the CONTRACTOR'S policy and provide the CONTRACTOR with approval of said plan, or with requested changes.

8.5.3 If the COUNTY requests changes in the CONTRACTOR'S policy, the CONTRACTOR shall make such changes and resubmit the plan within five (5) business days for COUNTY approval.

8.5.4 If, at any time, the CONTRACTOR wishes to change the CONTRACTOR'S policy, the CONTRACTOR shall submit all proposed changes to the COUNTY for approval before implementation.

8.5.5 The CONTRACTOR shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.

8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

8.5.7 Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complaint.

8.6 COMPLIANCE WITH APPLICABLE LAW

8.6.1 In the performance of this Contract, the CONTRACTOR shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and

procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 The CONTRACTOR shall indemnify, defend, and hold harmless COUNTY, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by the CONTRACTOR, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by COUNTY in its sole judgment. Any legal defense pursuant to the CONTRACTOR'S indemnification obligations under this Paragraph 8.6 shall be conducted by the CONTRACTOR and performed by counsel selected by the CONTRACTOR and approved by COUNTY. Notwithstanding the preceding sentence, COUNTY shall have the right to participate in any such defense at its sole cost and expense, except that in the event the CONTRACTOR fails to provide COUNTY with a full and adequate defense, as determined by COUNTY in its sole judgment, COUNTY shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from the CONTRACTOR for all such costs and expenses incurred by COUNTY in doing so. The CONTRACTOR shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of COUNTY without COUNTY'S prior written approval.

8.6.3 The CONTRACTOR shall maintain all professional accreditations, licenses and permits required by law for performing services under this Contract. The CONTRACTOR shall indemnify, defend and hold harmless the COUNTY for all costs, liabilities, fines, and any other damages resulting from the CONTRACTOR'S failure to comply with this section.

Any employee or agent of the CONTRACTOR who is required to drive a vehicle within the course and scope of employment related to this Contract shall hold a valid license for the appropriate vehicle class, without lapse throughout the Contract period.

The CONTRACTOR shall maintain a file of required insurance, licenses, and credentials for the CONTRACTOR'S business entity, for all agents and employees, current, and at all times available for COUNTY inspection.

8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS

The CONTRACTOR hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The CONTRACTOR shall comply with *Exhibit D - Contractor's EEO Certification*.

8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.8.1 Jury Service Program:

This Contract is subject to the provisions of the COUNTY'S ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy

1. Unless the CONTRACTOR has demonstrated to the COUNTY'S satisfaction either that the CONTRACTOR is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the CONTRACTOR qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the CONTRACTOR shall have and adhere to a written policy that provides that its Employees shall receive from the CONTRACTOR, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the CONTRACTOR or that the CONTRACTOR deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this sub-paragraph, "CONTRACTOR" means a person, partnership, corporation or other entity which has a contract with the COUNTY or a subcontract with a COUNTY CONTRACTOR and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the CONTRACTOR. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number

is a recognized industry standard as determined by the COUNTY, or 2) CONTRACTOR has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the CONTRACTOR uses any Subcontractor to perform services for the COUNTY under the Contract, the Subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the Contract.

3. If the CONTRACTOR is not required to comply with the Jury Service Program when the Contract commences, the CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the CONTRACTOR shall immediately notify the COUNTY if the CONTRACTOR at any time either comes within the Jury Service Program's definition of "Contractor" or if the CONTRACTOR no longer qualifies for an exception to the Jury Service Program. In either event, the CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COUNTY may also require, at any time during the Contract and at its sole discretion, that the CONTRACTOR demonstrate, to the COUNTY'S satisfaction that the CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the CONTRACTOR continues to qualify for an exception to the Program.
4. The CONTRACTOR'S violation of this sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Contract and/or bar the CONTRACTOR from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 CONFLICT OF INTEREST

- 8.9.1 No COUNTY employee whose position with the COUNTY enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the CONTRACTOR or have any other direct or indirect financial interest in this Contract. No officer or employee of the CONTRACTOR who may financially benefit from the performance of work hereunder shall in any way participate in the COUNTY'S approval, or ongoing evaluation, of such work, or in any way

attempt to unlawfully influence the COUNTY'S approval or ongoing evaluation of such work.

8.9.2 The CONTRACTOR shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The CONTRACTOR warrants that it is not now aware of any facts that create a conflict of interest. If the CONTRACTOR hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the COUNTY. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph shall be a material breach of this Contract.

8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

Should the CONTRACTOR require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the CONTRACTOR shall give first consideration for such employment openings to qualified, permanent COUNTY employees who are targeted for layoff or qualified, former COUNTY employees who are on a re-employment list during the life of this Contract.

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

8.11.1 Should the CONTRACTOR require additional or replacement personnel after the effective date of this Contract, the CONTRACTOR shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the CONTRACTOR'S minimum qualifications for the open position. For this purpose, consideration shall mean that the CONTRACTOR will interview qualified candidates. The COUNTY will refer GAIN/GROW participants by job category to the CONTRACTOR.

8.11.2 In the event that both laid-off COUNTY employees and GAIN/GROW participants are available for hiring, COUNTY employees shall be given first priority.

8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.12.1 Responsible Contractor

A responsible CONTRACTOR is a CONTRACTOR who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the COUNTY'S policy to conduct business only with responsible contractors.

8.12.2 Chapter 2.202 of the County Code

The CONTRACTOR is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the COUNTY acquires information concerning the performance of the CONTRACTOR on this or other contracts which indicates that the CONTRACTOR is not responsible, the COUNTY may, in addition to other remedies provided in the Contract, debar the CONTRACTOR from bidding or proposing on, or being awarded, and/or performing work on COUNTY contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the CONTRACTOR may have with the COUNTY.

8.12.3 Non-responsible Contractor

The COUNTY may debar a CONTRACTOR if the BOARD finds, in its discretion, that the CONTRACTOR has done any of the following: (1) violated a term of a contract with the COUNTY or a nonprofit corporation created by the COUNTY, (2) committed an act or omission which negatively reflects on the CONTRACTOR'S quality, fitness or capacity to perform a contract with the COUNTY, any other public entity, or a nonprofit corporation created by the COUNTY, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the COUNTY or any other public entity.

8.12.4 Contractor Hearing Board

1. If there is evidence that the CONTRACTOR may be subject to debarment, the Department will notify the CONTRACTOR in writing of the evidence which is the basis for the proposed debarment and will advise the CONTRACTOR of the scheduled date for a debarment hearing before the Contractor Hearing Board.

2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The CONTRACTOR and/or the CONTRACTOR'S representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the CONTRACTOR should be debarred, and, if so, the appropriate length of time of the debarment. The CONTRACTOR and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the BOARD.
3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the BOARD. The BOARD shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a CONTRACTOR has been debarred for a period longer than five (5) years, that the CONTRACTOR may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The COUNTY may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the CONTRACTOR has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the COUNTY.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the CONTRACTOR has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor

Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the BOARD. The BOARD shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of the CONTRACTOR.

8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The CONTRACTOR acknowledges that the COUNTY places a high priority on the implementation of the Safely Surrendered Baby Law. The CONTRACTOR understands that it is the COUNTY'S policy to encourage all COUNTY CONTRACTOR'S to voluntarily post the COUNTY'S "Safely Surrendered Baby Law" poster in a prominent position at the CONTRACTOR'S place of business. The CONTRACTOR will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the CONTRACTOR with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.14.1 The CONTRACTOR acknowledges that the COUNTY has established a goal of ensuring that all individuals who benefit financially from the COUNTY through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the COUNTY and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the CONTRACTOR'S duty under this Contract to comply with all applicable provisions of law, the CONTRACTOR warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42

USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 COUNTY'S QUALITY ASSURANCE PLAN

The COUNTY or its agent will evaluate the CONTRACTOR'S performance under this Contract on not less than an annual basis. Such evaluation will include assessing the CONTRACTOR'S compliance with all Contract terms and conditions and performance standards. The CONTRACTOR deficiencies which the COUNTY determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the BOARD.

The CONTRACTOR will keep logs, databases, and other records as set forth in this contract to allow case-by-case tracking and global reviews of the CONTRACTOR'S bad check operation by the COUNTY, upon demand. The CONTRACTOR shall maintain personnel files for all its employees working at any time on this Contract. These files shall be made available to the COUNTY upon demand, and be retained by the CONTRACTOR until the COUNTY authorizes their destruction, or under the terms described herein.

The report will include improvement/corrective action measures taken by the COUNTY and the CONTRACTOR. If improvement does not occur consistent with the corrective action measures, the COUNTY may terminate this Contract or impose other penalties as specified in this Contract.

8.16 EMPLOYMENT ELIGIBILITY VERIFICATION

8.16.1 The CONTRACTOR warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The CONTRACTOR shall retain all such documentation for all covered employees for the period prescribed by law.

8.16.2 The CONTRACTOR shall indemnify, defend, and hold harmless, the COUNTY, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the CONTRACTOR or the COUNTY or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.17 FACSIMILE REPRESENTATIONS

The COUNTY and the CONTRACTOR hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to sub-paragraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.18 FAIR LABOR STANDARDS

The CONTRACTOR shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the COUNTY and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the CONTRACTOR'S employees for which the COUNTY may be found jointly or solely liable.

8.19 FORCE MAJEURE

8.19.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

8.19.2 Notwithstanding the foregoing, a default by a subcontractor of the CONTRACTOR shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both the CONTRACTOR and such subcontractor, and without any fault or negligence of either of them. In such case, the CONTRACTOR shall not be liable for failure to perform, unless the goods or

services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the CONTRACTOR to meet the required performance schedule. As used in this subparagraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

- 8.19.3** In the event the CONTRACTOR'S failure to perform arises out of a force majeure event, the CONTRACTOR agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.20 GOVERNING LAW, JURISDICTION, AND VENUE

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The CONTRACTOR agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.21 INDEPENDENT CONTRACTOR STATUS

- 8.21.1** This Contract is by and between the COUNTY and the CONTRACTOR and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the COUNTY and the CONTRACTOR. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.21.2** The CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The COUNTY shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the CONTRACTOR.
- 8.21.3** The CONTRACTOR understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the CONTRACTOR and not employees of the COUNTY. The CONTRACTOR shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the CONTRACTOR pursuant to this Contract.

8.21.4 The CONTRACTOR shall adhere to the provisions stated in Sub-paragraph 7.6 - Confidentiality.

8.22 INDEMNIFICATION

The CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its Special Districts, elected and appointed officers, employees, and agents, from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the CONTRACTOR'S acts and/or omissions arising from, and/or relating to this Contract.

8.23 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting the CONTRACTOR'S indemnification of COUNTY, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, the CONTRACTOR shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 8.23 and 8.24 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon the CONTRACTOR pursuant to this Contract. The COUNTY in no way warrants that the Required Insurance is sufficient to protect the CONTRACTOR for liabilities which may arise from or relate to this Contract.

8.23.1 Evidence of Insurance and Notice to County:

- Certificate(s) of insurance coverage (Certificate) satisfactory to COUNTY, and a copy of an Additional Insured endorsement confirming COUNTY and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to COUNTY at the address shown below and provided prior to commencing services under this Contract.
- Renewal Certificates shall be provided to COUNTY not less than 10 days prior to the CONTRACTOR'S policy expiration dates. The COUNTY reserves the right to obtain complete, certified copies of any required CONTRACTOR and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the CONTRACTOR identified as the contracting party in this Contract. Certificates

shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any COUNTY required endorsement forms.

- Neither the COUNTY'S failure to obtain, nor the COUNTY'S receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the CONTRACTOR, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

Los Angeles County
District Attorney's Office
Bureau of Management and Budget
201 North Figueroa Street, Suite 1300
Los Angeles, CA 90012
ATTN: Bad Check Restitution Program

The CONTRACTOR also shall promptly report to COUNTY any injury or property damage accident or incident, including any injury to a CONTRACTOR employee occurring on COUNTY property, and any loss, disappearance, destruction, misuse, or theft of COUNTY property, monies or securities entrusted to the CONTRACTOR. The CONTRACTOR also shall promptly notify COUNTY of any third party claim or suit filed against the CONTRACTOR or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against the CONTRACTOR and/or COUNTY.

8.23.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively COUNTY and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of the CONTRACTOR'S ongoing and completed operations performed on behalf of the COUNTY. COUNTY and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the CONTRACTOR'S acts or omissions, whether such liability is attributable to the CONTRACTOR or to the COUNTY. The full policy limits and scope of protection also shall apply to the COUNTY and its Agents as an additional insured, even if they

exceed the COUNTY'S minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.23.3 Cancellation of Insurance

Except in the case of cancellation for non-payment of premium, the CONTRACTOR'S insurance policies shall provide, and Certificates shall specify, that COUNTY shall receive not less than thirty (30) days advance written notice by mail of any cancellation of the Required Insurance. Ten (10) days prior notice may be given to COUNTY in event of cancellation for non-payment of premium.

8.23.4 Failure to Maintain Insurance

The CONTRACTOR'S failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which COUNTY immediately may withhold payments due to the CONTRACTOR, and/or suspend or terminate this Contract. COUNTY, at its sole discretion, may obtain damages from the CONTRACTOR resulting from said breach.

8.23.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the COUNTY with A.M. Best ratings of not less than A:VII unless otherwise approved by COUNTY.

8.23.6 Contractor's Insurance Shall Be Primary

The CONTRACTOR'S insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to the CONTRACTOR. Any COUNTY maintained insurance or self-insurance coverage shall be in excess of and not contribute to any CONTRACTOR coverage.

8.23.7 Waivers of Subrogation

To the fullest extent permitted by law, the CONTRACTOR hereby waives its rights and its insurer(s)' rights of recovery against COUNTY under all the Required Insurance for any loss arising from or relating to this Contract. The CONTRACTOR shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.23.8 Sub-Contractor Insurance Coverage Requirements

The CONTRACTOR shall include all Subcontractors as insureds under the CONTRACTOR'S own policies, or shall provide COUNTY with each Subcontractor's separate evidence of insurance coverage. The CONTRACTOR shall be responsible for verifying each Subcontractor complies with the Required Insurance provisions herein, and shall require that each Subcontractor name the COUNTY and the CONTRACTOR as additional insureds on the Sub- Subcontractor's General Liability policy. The CONTRACTOR shall obtain COUNTY'S prior review and approval of any Subcontractor request for modification of the Required Insurance.

8.23.9 Deductibles and Self-Insured Retentions (SIRs)

The CONTRACTOR'S policies shall not obligate the COUNTY to pay any portion of any CONTRACTOR deductible or SIR. The COUNTY retains the right to require the CONTRACTOR to reduce or eliminate policy deductibles and SIRs in respect to the COUNTY, or to provide a bond guaranteeing the CONTRACTOR'S payment of all deductibles and SIRs, including all related claims investigation, administration, and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.23.10 Claims Made Coverage

If any part of the Required Insurance is written on a claim-made basis, any policy retroactive date shall precede the effective date of this Contract. The CONTRACTOR understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

8.23.11 Application of Excess Liability Coverage

The CONTRACTOR may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

8.23.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.23.13 Alternative Risk Financing Programs

The COUNTY reserves the right to review, and then approve, the CONTRACTOR'S use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements, and captive insurance to satisfy the Required Insurance provisions. The COUNTY and its Agents shall be designated as an Additional Covered Party under any approved program.

8.23.14 County Review and Approval of Insurance Requirements

The COUNTY reserves the right to review and adjust the Required Insurance provisions, conditioned upon COUNTY'S determination of changes in risk exposures.

8.24 INSURANCE COVERAGE REQUIREMENTS

8.24.1 Commercial General insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming COUNTY and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

8.24.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of the CONTRACTOR'S use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.24.3 Workers' Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If the CONTRACTOR will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the COUNTY as the Alternate Employer, and the endorsement form shall be modified to provide that COUNTY will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to the CONTRACTOR'S operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any Federal occupational disease law.

8.24.4 Unique Insurance Coverage

- **Professional Liability/Errors and Omissions**

Insurance covering the CONTRACTOR'S liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, the CONTRACTOR understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

- **Crime Coverage**

A Fidelity Bond or Crime Insurance policy with limits of not less than \$ 5,000,000.00 per occurrence. Such coverage shall protect against all loss of money, securities, or other valuable property entrusted by the COUNTY to the CONTRACTOR, and applies to all of the CONTRACTOR'S directors, officers, agents and employees who regularly handle or have responsibility for such money, securities or property. The COUNTY and its Agents shall be named as an Additional Insured and Loss Payee as its interests may appear. This insurance shall include third party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and shall not contain a requirement for an arrest and/or conviction.

8.25 LIQUIDATED DAMAGES

8.25.1 If, in the judgment of the COUNTY, the CONTRACTOR is deemed to be non-compliant with the terms and obligations assumed hereby, the COUNTY, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the CONTRACTOR'S invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the CONTRACTOR from the COUNTY will be forwarded to the CONTRACTOR by the COUNTY in a written notice describing the reasons for said action.

8.25.2 If the COUNTY determines that there are deficiencies in the performance of this Contract that the COUNTY deems are correctable by the CONTRACTOR over a certain time span, the COUNTY will provide a written notice to the CONTRACTOR to correct the deficiency within specified time frames. Should the CONTRACTOR fail to correct deficiencies within said time frame, the COUNTY may: (a) Deduct from the CONTRACTOR'S payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties

agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the CONTRACTOR to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such penalty/deduction ranges from \$50-\$500 per occurrence as specified in the Performance Requirements Summary (PRS) Chart defined in the Statement of Work (SOW) Technical Exhibit 2.

8.25.3 The action noted in sub-paragraph 8.25.2 shall not be construed as a penalty, but as adjustment of payment to the CONTRACTOR to recover the COUNTY cost due to the failure of the CONTRACTOR to complete or comply with the provisions of this Contract.

8.25.4 This sub-paragraph shall not, in any manner, restrict or limit the COUNTY'S right to damages for any breach of this Contract provided by law or as specified in the PRS or sub-paragraph 8.25.2, and shall not, in any manner, restrict or limit the COUNTY'S right to terminate this Contract as agreed to herein.

8.26 MOST FAVORED PUBLIC ENTITY

If the CONTRACTOR'S prices decline, or should the CONTRACTOR at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California, or any COUNTY, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the COUNTY.

8.27 NONDISCRIMINATION AND AFFIRMATIVE ACTION

8.27.1 The CONTRACTOR certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies, are and shall be treated equally without regard to, or because, of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

8.27.2 The CONTRACTOR shall certify to, and comply with, the provisions of *Exhibit D - Contractor's EEO Certification*.

8.27.3 The CONTRACTOR shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such

action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation, and selection for training, including apprenticeship.

- 8.27.4** The CONTRACTOR certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to, or because of, race, color, religion, ancestry, national origin, sex, age, or physical or mental disability, marital status, or political affiliation.
- 8.27.5** The CONTRACTOR certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract, or under any project, program, or activity supported by this Contract.
- 8.27.6** The CONTRACTOR shall allow COUNTY representatives access to the CONTRACTOR'S employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.27 when so requested by the COUNTY.
- 8.27.7** If the COUNTY finds that any provisions of this Sub-paragraph 8.27 have been violated, such violation shall constitute a material breach of this Contract upon which the COUNTY may terminate or suspend this Contract. While the COUNTY reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission, or the Federal Equal Employment Opportunity Commission that the CONTRACTOR has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the COUNTY that the CONTRACTOR has violated the anti-discrimination provisions of this Contract.
- 8.27.8** The parties agree that in the event the CONTRACTOR violates any of the anti-discrimination provisions of this Contract, the COUNTY shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671, as liquidated damages in lieu of terminating or suspending this Contract.

8.28 NON EXCLUSIVITY

Nothing herein is intended, nor shall be construed, as creating any exclusive arrangement with the CONTRACTOR. This Contract shall not

restrict the LADA from acquiring similar, equal or like goods and/or services from other entities or sources.

8.29 NOTICE OF DELAYS

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.30 NOTICE OF DISPUTES

The CONTRACTOR shall bring to the attention of the County Project Manager and/or County Project Director any dispute between the COUNTY and the CONTRACTOR regarding the performance of services as stated in this Contract. If the County Project Manager or County Project Director is not able to resolve the dispute, the County Executive Director or designee shall resolve the matter.

8.31 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The CONTRACTOR shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.32 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The CONTRACTOR shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

8.33 NOTICES

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand-delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in *Exhibits E - County's Administration* and *F - Contractor's Administration*. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The COUNTY shall have the authority to issue all notices or demands required or permitted under this Contract.

8.34 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the CONTRACTOR and the COUNTY agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce, or persuade any employee of one party to become an employee, or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.35 PUBLIC RECORDS ACT

8.35.1 Any documents submitted by the CONTRACTOR; all information obtained in connection with the COUNTY'S right to audit and inspect the CONTRACTOR'S documents, books, and accounting records pursuant to Sub-paragraph 8.36 - Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the COUNTY. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret," "confidential," or "proprietary." The COUNTY shall not in any way be liable, or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.35.2 In the event the COUNTY is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret," "confidential," or "proprietary," the CONTRACTOR agrees to defend, and indemnify the COUNTY from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.36 PUBLICITY – DISCLOSURE OF INFORMATION AND USE OF COUNTY NAME

8.36.1 The CONTRACTOR shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the CONTRACTOR'S need to identify its services and related clients to sustain itself, the COUNTY shall not inhibit the CONTRACTOR from publishing its role under this Contract within the following conditions:

- The CONTRACTOR shall develop all publicity material in a professional manner; and

- During the term of this Contract, the CONTRACTOR shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials of any kind using the name of the COUNTY without the prior written consent of the County Executive Director. The COUNTY shall not unreasonably withhold written consent.

8.36.2 The CONTRACTOR may, without the prior written consent of COUNTY, indicate in its proposals and sales materials that it has been awarded this Contract with COUNTY, provided that the requirements of this sub-paragraph 8.36 shall apply.

8.37 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The CONTRACTOR shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The CONTRACTOR shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The CONTRACTOR agrees that the COUNTY, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the CONTRACTOR and shall be made available to the COUNTY during the term of this Contract and for a period of five (5) years thereafter unless the COUNTY'S written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the CONTRACTOR at CONTRACTOR'S principal place of business, provided that if any such material is located outside Los Angeles County, then, at the COUNTY'S option, the CONTRACTOR shall pay the COUNTY for travel, per diem, and other costs incurred by the COUNTY to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.1 In the event that an audit of the CONTRACTOR is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the CONTRACTOR or otherwise, then the CONTRACTOR shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the CONTRACTOR'S receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the COUNTY shall make a reasonable effort to maintain the confidentiality of such audit reports.

8.37.2 Failure on the part of the CONTRACTOR to comply with any of the provisions of this sub-paragraph 8.37 shall constitute a material

breach of this Contract upon which the COUNTY may terminate or suspend this Contract.

8.37.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the COUNTY conduct an audit of the CONTRACTOR regarding the work performed under this Contract, and if such audit finds that the COUNTY'S dollar liability for any such work is less than payments made by the COUNTY to the CONTRACTOR, then the difference shall be either:

a) repaid by the CONTRACTOR to the COUNTY by cash payment upon demand or

b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the CONTRACTOR from the COUNTY, whether under this Contract or otherwise. If such audit finds that the COUNTY'S dollar liability for such work is more than the payments made by the COUNTY to the CONTRACTOR, then the difference shall be paid to the CONTRACTOR by the COUNTY by cash payment, provided that in no event shall the COUNTY'S maximum obligation for this Contract exceed the funds appropriated by the COUNTY for the purpose of this Contract.

8.38 RECYCLED BOND PAPER

Consistent with the BOARD'S policy to reduce the amount of solid waste deposited at the County landfills, the CONTRACTOR agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.39 SUBCONTRACTING

8.39.1 The requirements of this Contract may not be subcontracted by the CONTRACTOR **without the advance approval of the COUNTY**. Any attempt by the CONTRACTOR to subcontract without the prior consent of the COUNTY may be deemed a material breach of this Contract.

8.39.2 If the CONTRACTOR desires to subcontract, the CONTRACTOR shall provide the following information promptly at the COUNTY'S request:

- A description of the work to be performed by the Subcontractor; and
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the COUNTY.

- 8.39.3** The CONTRACTOR shall indemnify, and hold the COUNTY harmless with respect to the activities of each and every Subcontractor in the same manner, and to the same degree as if such Subcontractor(s) were the CONTRACTOR employees.
- 8.39.4** The CONTRACTOR shall remain fully responsible for all performances required of it under this Contract, including those that the CONTRACTOR has determined to subcontract, notwithstanding the COUNTY'S approval of the CONTRACTOR'S proposed subcontract.
- 8.39.5** The COUNTY'S consent to subcontract shall not waive the COUNTY'S right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The CONTRACTOR is responsible to notify its Subcontractors of this COUNTY right.
- 8.39.6** The County Executive Director is authorized to act for and on behalf of the COUNTY with respect to approval of any subcontract and Subcontractor employees. After approval of the subcontract by the COUNTY, the CONTRACTOR shall forward a fully executed subcontract to the COUNTY for their files.
- 8.39.7** The CONTRACTOR shall be solely liable and responsible for all payments or other compensation to all Subcontractors, and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the COUNTY'S consent to subcontract.
- 8.39.8** The CONTRACTOR shall obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the COUNTY from each approved Subcontractor. The CONTRACTOR shall ensure delivery of all such documents to:

Los Angeles County
District Attorney's Office
201 North Figueroa Street, Suite 1300
Los Angeles, CA 90012
ATTN: Bad Check Restitution Program

before any Subcontractor employee may perform any work hereunder.

8.40 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the CONTRACTOR to maintain compliance with the requirements set forth in Sub-paragraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the COUNTY under any other provision of this Contract, failure of the CONTRACTOR to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the COUNTY may terminate this Contract pursuant to Sub-paragraph 8.42 - Termination for Default and pursue debarment of the CONTRACTOR, pursuant to County Code Chapter 2.202.

8.41 TERMINATION FOR CONVENIENCE

8.41.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the COUNTY, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.41.2 After receipt of a notice of termination and except as otherwise directed by the COUNTY, the CONTRACTOR shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the CONTRACTOR under this Contract shall be maintained by the CONTRACTOR in accordance with Sub-paragraph 8.37, Record Retention & Inspection/Audit Settlement.

8.41.4 For a period of five (5) years after final settlement under this Contract, the CONTRACTOR shall make available to the COUNTY, at all reasonable times, all its books, records, documents, or other evidence bearing on the costs and expenses of the CONTRACTOR under this Contract with respect to the termination of work hereunder. All such material shall be maintained by the CONTRACTOR at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at

the COUNTY'S option, the CONTRACTOR shall pay the COUNTY for travel, per diem, and other costs incurred by the COUNTY to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.42 TERMINATION FOR DEFAULT

8.42.1 The COUNTY may, by written notice to the CONTRACTOR, terminate the whole or any part of this Contract, if, in the judgment of the County Executive Director.

- The CONTRACTOR has materially breached this Contract; or
- The CONTRACTOR fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- The CONTRACTOR fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the COUNTY may authorize in writing) after receipt of written notice from the COUNTY specifying such failure.

8.42.2 In the event that the COUNTY terminates this Contract in whole or in part as provided in sub-paragraph 8.42.1, the COUNTY may procure, upon such terms and in such manner as the COUNTY may deem appropriate, goods and services similar to those so terminated. The CONTRACTOR shall be liable to the COUNTY for any and all excess costs incurred by the COUNTY, as determined by the COUNTY, for such similar goods and services. The CONTRACTOR shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.

8.42.3 Except with respect to defaults of any Subcontractor, the CONTRACTOR shall not be liable for any such excess costs of the type identified in sub-paragraph 8.42.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the CONTRACTOR. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the COUNTY in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the CONTRACTOR. If the failure to perform is

caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the CONTRACTOR and Subcontractor, and without the fault or negligence of either of them, the CONTRACTOR shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the CONTRACTOR to meet the required performance schedule. As used in this sub-paragraph, the term "Subcontractor(s)" means Subcontractor(s) at any tier.

8.42.4 If, after the COUNTY has given notice of termination under the provisions of this sub-paragraph 8.42, it is determined by the COUNTY that the CONTRACTOR was not in default under the provisions of this sub-paragraph 8.42, or that the default was excusable under the provisions of sub-paragraph 8.42.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to sub-paragraph 8.41 - Termination for Convenience.

8.42.5 The rights and remedies of the COUNTY provided in this sub-paragraph 8.42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.43 TERMINATION FOR IMPROPER CONSIDERATION

8.43.1 The COUNTY may, by written notice to the CONTRACTOR, immediately terminate the right of the CONTRACTOR to proceed under this Contract if it is found that consideration, in any form, was offered or given by the CONTRACTOR, either directly or through an intermediary, to any COUNTY officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the CONTRACTOR'S performance pursuant to this Contract. In the event of such termination, the COUNTY shall be entitled to pursue the same remedies against the CONTRACTOR as it could pursue in the event of default by the CONTRACTOR.

8.43.2 The CONTRACTOR shall immediately report any attempt by a COUNTY officer or employee to solicit such improper consideration. The report shall be made either to the County Project Director or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.43.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

8.44 TERMINATION FOR INSOLVENCY

8.44.1 The COUNTY may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the CONTRACTOR. The CONTRACTOR shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the CONTRACTOR is insolvent within the meaning of the Federal Bankruptcy Code;
- The filing of a voluntary or involuntary petition regarding the CONTRACTOR under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the CONTRACTOR; or
- The execution by the CONTRACTOR of a general assignment for the benefit of creditors.

8.44.2 The rights and remedies of the COUNTY provided in this subparagraph 8.44 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.45 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

The CONTRACTOR, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the CONTRACTOR, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the CONTRACTOR or any County Lobbyist or County Lobbying firm retained by the CONTRACTOR to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the COUNTY may in its sole discretion, immediately terminate or suspend this Contract.

8.46 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Contract, the COUNTY shall not be obligated for the CONTRACTOR'S performance hereunder or by any provision of this Contract during any of the COUNTY'S future fiscal years unless and until the BOARD appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The

COUNTY shall notify the CONTRACTOR in writing of any such non-allocation of funds at the earliest possible date.

8.47 VALIDITY

If any provision of this Contract or the application thereof to any person, or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.48 WAIVER

No waiver by the COUNTY of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the COUNTY to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this sub-paragraph 8.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.49 WARRANTY AGAINST CONTINGENT FEES

8.49.1 The CONTRACTOR warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract, or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CONTRACTOR for the purpose of securing business.

8.49.2 For breach of this warranty, the COUNTY shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.50 WARRANTY OF COMPLIANCE WITH THE COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Contractor acknowledges that the COUNTY has established a goal of ensuring that all individuals and businesses that benefit financially from the County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

Unless the CONTRACTOR qualifies for an exemption or exclusion, the CONTRACTOR warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

8.51 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Failure of CONTRACTOR to maintain compliance with the requirements set forth in Paragraph 8.50 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

9.1.1 This Contract is subject to the provisions of the COUNTY'S ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

9.1.2 The CONTRACTOR shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

9.1.3 The CONTRACTOR shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

9.1.4 If the CONTRACTOR has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the COUNTY any difference between the contract amount and what the COUNTY'S costs would have been if the contract had been properly awarded;

2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and OAAC of this information prior to responding to a solicitation or accepting a contract award.

9.2 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT

- 9.2.1** The COUNTY shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the CONTRACTOR'S work pursuant to this Contract. The CONTRACTOR, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the COUNTY all of the CONTRACTOR'S right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the CONTRACTOR'S work under this Contract.
- 9.2.2** During the term of this Contract and for five (5) years thereafter, the CONTRACTOR shall maintain and provide security for all of the CONTRACTOR'S working papers prepared under this Contract. The COUNTY shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.
- 9.2.3** Any and all materials, software and tools which are developed or were originally acquired by the CONTRACTOR outside the scope of this Contract, which the CONTRACTOR desires to use hereunder, and which the CONTRACTOR considers to be proprietary or confidential, must be specifically identified by the CONTRACTOR to the County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by the CONTRACTOR as "Propriety" or "Confidential" on each appropriate page of any document containing such material.
- 9.2.4** The COUNTY will use reasonable means to ensure that the CONTRACTOR'S proprietary and/or confidential items are safeguarded and held in confidence. The COUNTY agrees not to reproduce, distribute or disclose to non-County entities any such

proprietary and/or confidential items without the prior written consent of the CONTRACTOR.

9.2.5 Notwithstanding any other provision of this Contract, the COUNTY will not be obligated to the CONTRACTOR in any way under sub-paragraph 9.2.4 for any of the CONTRACTOR proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by sub-paragraph 9.2.3 or for any disclosure which the COUNTY is required to make under any State or Federal law or order of court.

9.2.6 All the rights and obligations of this sub-paragraph 9.2 shall survive the expiration or termination of this Contract.

9.3 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION

9.3.1 The CONTRACTOR shall indemnify, hold harmless and defend COUNTY from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of the CONTRACTOR'S work under this Contract. The COUNTY shall inform the CONTRACTOR as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support the CONTRACTOR'S defense and settlement thereof.

9.3.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that COUNTY'S continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, the CONTRACTOR, at its sole expense, and providing that COUNTY'S continued use of the system is not materially impeded, shall either:

- Procure for COUNTY all rights to continued use of the questioned equipment, part, or software product; or
- Replace the questioned equipment, part, or software product with a non-questioned item; or
- Modify the questioned equipment, part, or software so that it is free of claims.

9.3.3 The CONTRACTOR shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items

not supplied by the CONTRACTOR, in a manner for which the questioned product was not designed nor intended.

9.4 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

9.4.1 This Contract is subject to the provisions of the COUNTY'S ordinance entitles Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

9.4.2 The CONTRACTOR shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

9.4.3 The CONTRACTOR shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a COUNTY official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

9.4.4 If the CONTRACTOR has obtained COUNTY certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the COUNTY any difference between the contract amount and what the COUNTY'S costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent (10%) of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the certifying department of this information prior to responding to a solicitation or accepting a contract award.

IN WITNESS WHEREOF, the CONTRACTOR has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: 

By

Kristy Silguero
Name

Senior Vice President
Title

COUNTY OF LOS ANGELES

By

Gloria Molina
~~Mayor/Chairperson~~, Board of Supervisors
CHAIR

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk
of the Board of Supervisors



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By


Deputy

By


Deputy

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By


JENNIFER A.D. LEHMAN
Principal Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

26 JUL 20 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

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EXHIBIT A

STATEMENT OF WORK (SOW)

1.0 SCOPE OF WORK

- 1.1** CONTRACTOR shall assume daily operational responsibility for the COUNTY'S Bad Check Restitution Program; establish a Bad Check Restitution Program in COUNTY; and provide all related services as described in Section 7.0 Specific Work Requirements.
- 1.2** CONTRACTOR must perform to the standards in Paragraph 8.0, Performance Requirements Summary.

2.0 QUALITY CONTROL

The CONTRACTOR shall establish and utilize a comprehensive Quality Control Plan (Plan) to assure the COUNTY a consistently high level of service throughout the term of the Contract. The Plan shall include, but may not be limited to the following:

- 2.1** A monitoring system covering all services listed under PRS in Paragraph 8.0 of this SOW. It must specify the methods for assuring and verifying that the minimum requirements for the Bad Check Restitution Program services are met. The Plan shall specify how the methods are to be implemented and identify the CONTRACTOR staff that will perform the assurance and verification tasks.
- 2.2** A record of all inspections conducted by the CONTRACTOR, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the COUNTY upon request.
- 2.3** An emergency plan that covers the method for continuing to provide services to the COUNTY in the event of an emergency that disrupts CONTRACTOR'S Operations.
- 2.4** All changes must be made in accordance with Sub-paragraph 8.1, Change Notices and Amendments of the Contract.
- 2.5** The CONTRACTOR shall provide a plan and describe the methods for continuing to assure service to the COUNTY in the event of a strike by the CONTRACTOR'S employees, and that employees will cross picket lines in the event of a strike or other work stoppage by COUNTY employees.

3.0 QUALITY ASSURANCE PLAN

The COUNTY will evaluate the CONTRACTOR'S performance under the Contract using the quality assurance procedures as defined in the Contract, Paragraph 8.0,

Standard Terms and Conditions, Sub-paragraph 8.15 County's Quality Assurance Plan.

- 3.1 CONTRACTOR is required to attend all scheduled monthly meetings. There will be one scheduled meeting each of the first three months of this contract. Failure to attend will cause an assessment of fifty dollars (\$50.00).
- 3.2 The COUNTY shall have the right to interview and/or examine any prospective employee to be assigned to the Contract to determine the skills of the individual provided.
- 3.3 The CONTRACTOR shall immediately replace any of the Contractor's employees who do not meet the minimum requirements specified in Sub-paragraph 7.2, Other Key Personnel of the Contract, or do not otherwise provide satisfactory service.
- 3.4 The COUNTY shall evaluate the CONTRACTOR'S performance under this Contract based on the specific tasks and requirements in this Contract.
- 3.5 The County Project Director shall consult with the Contractor's Project Manager to resolve any problems related to provision of services. The County Project Director will review any deviation from the Contract performance standards and determine if penalties should be assessed against the CONTRACTOR according to *Paragraph 8.0, Performance Requirements Summary in the Statement of Work*.
- 3.6 If a dispute occurs regarding services or penalties under the Contract and such disputes cannot be resolved between the County Project Director and the Contractor's Project Manager, it will be referred to the County Executive Director or his/her designee whose decision will be final.
- 3.7 **Contract Discrepancy Report (*Statement of Work Technical Exh. 1*)**

Every effort shall be made by the COUNTY to work with CONTRACTOR to identify and resolve any problems under the Contract.

 - 3.7.1 Should deviations from agreed upon performance occur, a verbal notification of a Contract discrepancy will be made to the Contractor's Project Manager as soon as possible whenever a Contract discrepancy is identified. The nature of the deviation will be specified. The deviation shall be resolved within a time period mutually agreed upon by the COUNTY and the CONTRACTOR.
 - 3.7.2 If the deviation is not corrected as agreed, the County Project Manager will issue a written formal Contract Discrepancy Report, Statement of Work Technical Exhibit 1, describing the nature of the deviation to the CONTRACTOR.
 - 3.7.3 If a Contractor Discrepancy Report is issued, it will be mailed or hand delivered to the CONTRACTOR.

3.7.4 Upon receipt of this document, the CONTRACTOR is required to respond in writing to the County Project Director within five (5) workdays, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the County Project Director within ten (10) workdays.

3.8 County Observations

In addition to departmental contracting staff, other COUNTY personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the CONTRACTOR'S performance.

4.0 DEFINITIONS

- 4.1 Board of Supervisors (BOARD)** – The Board of Supervisors of the County of Los Angeles, acting as governing body of the proposed service area.
- 4.2 Performance Requirements Summary (PRS)** – Identifies and summarizes elements of the Contract the COUNTY will evaluate to assure that Contract performance standards are met by CONTRACTOR.
- 4.3 Standard** – Minimum requirement set by the COUNTY for performing a service or activity.
- 4.4 Sweep Account** – A bank account used by County departments to deposit funds collected daily, including revenue, fees, and other monies received. Monies deposited are automatically “swept” nightly from the account into the Treasurer-Tax Collector’s control account without losing the identity of each depositing department.

5.0 RESPONSIBILITIES

The COUNTY’S and the CONTRACTOR’S responsibilities are as follows:

COUNTY

5.1 Personnel

The COUNTY will administer the Contract according to the contract provisions contained in Paragraph 6.0, Administration of Contract - County. Specific duties will include:

- 5.1.1** Monitoring the CONTRACTOR’S performance in the daily operation of this Contract.
- 5.1.2** Providing direction to the CONTRACTOR in areas relating to policy, information and procedural requirements.

- 5.1.3 Preparing Change Notices in accordance with the Contract, Paragraph 8.0, Standard Terms and Conditions, Sub-paragraph 8.1 Change Notices and Amendments.

CONTRACTOR

5.2 Project Manager

- 5.2.1 The CONTRACTOR shall provide a full-time Contract Project Manager or designated alternate. COUNTY must have access to the Contractor's Project Manager during all hours, 365 days per year. CONTRACTOR shall provide a telephone number where the Contractor's Project Manager/Alternate may be reached on a twenty-four (24) hour per day basis.
- 5.2.2 Contractor's Project Manager/Alternate shall demonstrate previous experience in the management of work requirements for facilities similar in size and complexity.
- 5.2.3 The Contractor's Project Manager/Alternate shall have full authority to act for CONTRACTOR on all matters relating to the daily operation of the Contract. Contractor's Project Manager/Alternate shall be able to effectively communicate, in English, both orally and in writing.
- 5.2.4 The Contractor's Project Manager shall have five (5) years of experience in the area of general business and financial management, including restitution collection. The Contract Project Manager/Alternate shall act as a central point of contact with the COUNTY.

5.3 Personnel

- 5.3.1 The CONTRACTOR shall assign a sufficient number of employees to perform the required work. **At least one employee on site shall be authorized to act for CONTRACTOR in every detail and must speak and understand English.**
- 5.3.2 CONTRACTOR managers may be required to submit to a background check as set forth in sub-paragraph 7.5 Background and Security Investigations of the Contract.

5.4 Employee Benefits and Payments

- 5.4.1 The CONTRACTOR will be solely responsible for providing to, or on behalf of, its employees all legally required employee benefits.
- 5.4.2 The COUNTY shall not assume any liability for the payment of any salaries, wages, benefits or other compensation to, or on behalf of, any personnel provided by the CONTRACTOR.

5.5 Contractor Furnished Items

5.5.1 The CONTRACTOR shall furnish personnel required to perform services described herein.

5.5.2 The CONTRACTOR shall provide at contractor's expense, computers and other equipment necessary to operate the Bad Check Restitution Program.

5.6 Contractor's Office

CONTRACTOR shall maintain an office with a telephone in the company's name where CONTRACTOR conducts business. The office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m., (PST) Monday through Friday, by at least one employee who can respond to inquires and complaints which may be received about the CONTRACTOR'S performance of the Contract. When the office is closed, an answering service shall be provided to receive any calls. **The CONTRACTOR shall answer calls received by the answering service immediately on the next business day.**

6.0 HOURS/DAYS OF WORK

6.1 Normal working hours for the Bad Check Restitution Program services personnel is 8:00 a.m. to 5:00 p.m., Monday through Friday. Hours may be changed at the COUNTY'S discretion.

6.2 Services may be provided on Saturday, Sunday, or on County holidays upon mutual agreement of the CONTRACTOR and the COUNTY.

6.3 The CONTRACTOR is not required to provide personnel on COUNTY recognized holidays. These holidays may vary from year to year. The County Project Manager will provide CONTRACTOR with a list of holidays for the succeeding year as soon as they are available. In 2010 and 2011, the holidays are:

Labor Day	Monday, September 6, 2010
Columbus Day	Monday, October 11, 2010
Veteran's Day	Thursday, November 11, 2010
Thanksgiving Day	Thursday, November 25, 2010
Day after Thanksgiving	Friday, November 26, 2010
Christmas Day	Friday, December 24, 2010
New Year's Day	Friday, December 31, 2010
Martin Luther King Jr.'s Birthday	Monday, January 17, 2011
President's Day	Monday, February 14, 2011
Memorial Day	Monday, May 30, 2011
Independence Day	Monday, July 4, 2011

7.0 SPECIFIC WORK REQUIREMENTS

7.1 General Operational Requirements

The CONTRACTOR shall be responsible for the daily operation and management of all functions related to the Bad Check Restitution Program except for liaison, investigative, and prosecutorial factors handled by the Los Angeles District's Attorney's Office. CONTRACTOR shall maintain a worksite located in or adjacent to Los Angeles County.

The CONTRACTOR shall provide services and facilities necessary to the development, establishment, and operation of the LADA Bad Check Restitution Program. Such services include collection of restitution and administrative fees, disbursement of funds, and presentation of Bad Check Restitution classes, as discussed in the sections below:

7.2 Computer Requirements

7.2.1 The County Project Manager, before installation, must approve all computer hardware specification and software packages. The CONTRACTOR shall provide to the COUNTY a computer sufficient to allow immediate access to all program files and data in the CONTRACTOR'S electronic files to COUNTY personnel whose function requires such access.

7.2.2 The CONTRACTOR shall provide a fully integrated software application developed specifically to meet the needs of the Bad Check Restitution Program as defined in this RFP, the Bad Check Restitution Program Services Contract, and by the County Project Manager, once performance on that contract commences. The program software must be accompanied by a comprehensive procedure manual, written in standard English, and must be updated or modified as required by the County Project Manager, at the CONTRACTOR'S expense. Minimum software requirements include the following:

- a. Track and maintain case files by offender, victim, case number, active cases, closed or rejected cases, cases put on "hold," current payment status, and delinquent payments.
- b. Generate all correspondence and demand letters authorized by the COUNTY.
- c. Generate restitution checks to bad check victims.
- d. Maintain a check register which records deposits and withdrawals from COUNTY approved victim trust account.
- e. Generate monthly status and statistical reports to victims and to the COUNTY as specified by the COUNTY.
- f. Compile and extract account information such as totals for all open cases (accounts receivable), totals for all uncorrectable cases, and other reports as specified by the County Project Manager.

- g. Generate reports on individual cases or by categories of cases defined by the County Project Manager.

7.2.3 The CONTRACTOR, at CONTRACTOR'S expense, shall provide the COUNTY with a new desktop personal computer and monitor (PC) sufficient to connect and allow immediate access to all program files and data in the CONTRACTOR'S electronic Bad Check Restitution Program files and/or database(s). The County Project Manager will provide the specifications for the PC, and the PC will be serviced and maintained by LADA personnel. At such time as the Contract between the COUNTY and the CONTRACTOR shall terminate, for any reason, such equipment shall become the property of the LADA. The CONTRACTOR shall replace hardware as necessary to maintain current equipment standards defined by the County Project Manager. The CONTRACTOR'S program software must allow COUNTY personnel to enter comments in this database, download any or all data to the COUNTY computer, and print reports and screens from the CONTRACTOR'S Bad Check Restitution Program files. Information downloaded to COUNTY computers must be in a format chosen and specified by the County Project Manager. The CONTRACTOR shall provide, at CONTRACTOR'S expense, computer and other program related equipment to aid County Project Manager in promoting the Bad Check Restitution Program to the public. The CONTRACTOR shall be responsible for extracting and formatting all data from closed and open files in the COUNTY'S existing bad check database.

7.2.4 The CONTRACTOR shall provide such aids to public presentation as shall be reasonably specified by the LADA. These aids shall include but are not be limited to a new PC laptop computer, a new LCD type projector, and other program related equipment to aid the County Project Manager in promoting the Bad Check Restitution Program to the public. The County Project Manager will provide the specifications for the laptop and other equipment that will be served and maintained by LADA personnel. At such time as the Contract between the LADA and the CONTRACTOR shall terminate, for any reason, such equipment shall become property of the COUNTY.

7.3 Public Outreach

The CONTRACTOR shall provide at least four (4) full-time community field representatives as specified by the COUNTY. These representatives will promote the Bad Check Restitution Program in frequent ongoing presentations to local business groups throughout Los Angeles County. Among other things, the CONTRACTOR shall exercise best efforts to inform small businesses Countywide of the requirements

and benefits of the Bad Check Restitution Program in an effort to obtain the participation of those businesses.

As a part of this effort, the CONTRACTOR shall provide printed promotional materials written in appropriate languages, and disseminated to business groups in communities Countywide, at the CONTRACTOR'S expense. These and all other printed materials prepared or used by the CONTRACTOR in connection with the Bad Check Restitution Program Services Contract must be approved in writing by the County Project Manager prior to use by the CONTRACTOR.

7.4 Bad Check Screening Criteria and Complaint Intake

The CONTRACTOR shall directly receive, then process and follow through to conclusion all complaints received from bad check victims.

7.4.1 Bad Check Screening Criteria

The CONTRACTOR shall perform check-screening functions as directed by the COUNTY and pursuant to the provisions of Cal. Penal Code § 1001.62. Upon receipt of a bad check complaint, the CONTRACTOR shall determine whether the bad check writer should be referred to the Bad Check Restitution Program or whether criminal referral should be made. Criteria the CONTRACTOR must consider when making this determination include:

Whether the bad check writer has a prior criminal record or was previously diverted to the Bad Check Restitution Program. Repeat offenders are not eligible for diversion.

Whether or not any bad check complaints are already on file in either open or closed cases against the writer, including those in the COUNTY'S existing bad check database and those received by the CONTRACTOR under the Bad Check Services Contract.

The strength of the documentation provided with the complaint, and whether or not any intent to defraud the victim is apparent.

- Where bad checks are in the amount of \$2,500 or above, bank records are to be immediately ordered from the appropriate financial institution. Pending receipt of such records, ordinary restitution collection procedures are to be followed.
- Where the bad check writer cooperates in arranging payments of restitution, such payments are to be accepted and the bad check restitution class scheduled.

- Where there is no cooperation by the bad check writer by time the bank records arrive, the case is to be forwarded to the LADA (County Project Manager) for prosecution assessment.

7.4.2 The CONTRACTOR shall only accept restitution payment for collection of NSF, or account-closed checks exchanged for goods, cash, and/or services.

7.4.3 The following category of bad checks may only be accepted with prior written authorization from the COUNTY. The COUNTY may amend the following list at anytime, effective upon notice to the CONTRACTOR.

- Checks forwarded by any person or entity other than the business that accepted the bad check from the check writer.
- Photocopies or computer data not accompanied by the original check.

7.4.4 The CONTRACTOR may not accept the following categories of bad checks for restitution collection. The COUNTY may amend the following list at any time, effective upon notice to CONTRACTOR.

Postdated checks
 Out of State checks
 Checks taken with an agreement to hold
 Rent checks (other than first and security deposit)
 Checks more than 120 days old without authorization
 Payroll checks
 Two-Party checks
 Stop payment checks
 Checks taken on a pre-existing debt
 Government checks
 Insurance claim checks
 Collection agency checks based on purchased debts
 Forged checks meeting the requirements of Cal. Penal Code §470
 Fictitious or false documents other than the checks
 False documents meeting the requirements of Cal. Penal Code §476

7.5 Restitution Efforts and Demand Letters

7.5.1 The CONTRACTOR shall generate and send initial demand notices to bad check writers, then follow up with second and third notices as necessary. The COUNTY, prior to commencement of a restitution collection, must approve the format, content, and the mail schedule for all form letters and

notices in writing under the Bad Check Restitution Program Services Contract.

The initial restitution letter shall be issued within 24 hours of receipt by the CONTRACTOR. Such letters, supplemented by telephone calls if needed, shall continue for not more than six weeks before bank records are ordered. Restitution efforts are to continue until bank records arrive, at which time – if there has been no response or an uncooperative response from the bad check writer – such case shall be evaluated in the light of criminal filing criteria established by the District Attorney and, if appropriate, forwarded for prosecution assessment. **UNDER NO CIRCUMSTANCES SHALL ANY CASE REMAIN IN RESTITUTION COLLECTION MODE MORE THAN SIX MONTHS FROM THE DATE OF RECEIPT BY CONTRACTOR WHERE THERE HAS BEEN NO PAYMENT.** Cases not meeting the established criteria for criminal filing in the COUNTY shall be promptly returned with explanation to the complainant. Repeated failure to process cases in a timely manner shall be grounds for material breach.

- 7.5.2** Before discontinuing efforts to locate and notify bad check writers of complaints filed against them with the Bad Check Restitution Program, the CONTRACTOR shall attempt to obtain information from the U.S. Postal Service as to whether the bad check writer is receiving mail at the address provided, or whether the U.S. Postal Service has a forwarding address for the bad check writer. The CONTRACTOR will also establish an account, at CONTRACTOR'S expense, with one or more nationwide credit reporting agencies in order to obtain any available location information.
- 7.5.3** CONTRACTOR shall at all times abide by Statute of Limitations considerations as noted in the California Penal Code Section 799 et seq. CONTRACTOR'S failure to do so will result in penalty as noted in Statement of Work Technical Exhibit 2, Performance Requirements (PRS) Chart.

7.6 Payment Requirements

- CONTRACTOR shall only accept U.S. currency, money orders, or cashier's checks via U.S. mail in payment of restitution, administrative and bad check diversion class fees. The CONTRACTOR shall not accept personal checks from a bad check writer for any purpose without prior written authorization from the COUNTY.
- Participants in the Bad Check Restitution Program shall be instructed to remit payments to a post office box maintained by the CONTRACTOR.

- Participants may make payments over the phone by means of a major credit card transaction on a credit card account or ACH or debit card linked to a checking or savings account.
- Participants may make payments via Western Union (or equivalent service provider).
- The CONTRACTOR shall be responsible for receiving, recording, and depositing any monies collected or otherwise received from bad check writers. Deposits are to be made daily. Disbursements are to be made in accordance with requirements as described in Section 7.8 Payment Disbursement and in the Bad Check Restitution Program Services Contract.
- The CONTRACTOR shall prepare and submit a monthly reconciliation of the sweep account at the end of each month, reconciling the CONTRACTOR'S accounting records to the bank statement balance. Any unidentified checks received by the CONTRACTOR from bad check writers shall be submitted to the COUNTY within 30 days.
- The CONTRACTOR is authorized to enter into installment restitution repayment agreements with bad check writers provided that no such agreement shall exceed a 12-month period without COUNTY approval.
- The CONTRACTOR shall maintain financial statements generated by the computer software application used including balance sheets, income statement disbursement and receipt journals, checkbook register, accounts receivable, and account payable ledgers.
- The CONTRACTOR shall maintain and submit to the County Project Manager a policies and procedures manual describing fiscal operations, including computer and manual methods. The COUNTY may change these fiscal-reporting requirements as needed, at any time.

7.7 Program Fees and Restitution Collection

The CONTRACTOR must at all times act in compliance with Cal. Penal Code §§1001.60 through 1001.67. Unless authorized by the COUNTY in writing, the CONTRACTOR may collect only those fees authorized in Cal. Penal Code §§1001.64, 1001.65, and 476a (g), which includes the face value of each check, any authorized bank refunded item fees, and statutory administrative fees up to \$50.00 per bad check submitted for restitution collection, not to exceed \$1,200.00 in the aggregate. A bad check diversion class must be offered in compliance with Cal. Penal Code 1001.64, for which the bad check writer must pay the class fee as set forth in this Contract.

- 7.7.1** The CONTRACTOR must obtain written approval from the COUNTY before collecting, implementing, or changing any existing program fees.
- 7.7.2** Even where multiple checks are involved, all restitution collections, accounting, and disbursements shall in every case be handled on a check-by-check basis, without aggregating restitution or any fees collected.
- 7.7.3** "Restitution" is hereby defined as the aggregate face amount of all bad checks passed by the bad check writer to the complaining victim, submitted and accepted by the CONTRACTOR for collection. All restitution and fees collected by CONTRACTOR for the Bad Check Restitution Program shall be deposited by the CONTRACTOR into a sweep account held by the COUNTY in a commercial, federally-insured financial institution located within Los Angeles County. This separate sweep account shall be maintained only for deposit. The disbursement of restitution to bad check victims shall be made from a COUNTY checking account maintained by the CONTRACTOR on behalf of the COUNTY. The COUNTY will specify signatories on this account and may modify any fiscal requirements expressed in this RFP or in the Bad Check Contract at any time.
- 7.7.4** A class fee must be paid by those participants complying with the Bad Check Restitution Program. Participants who pay the full balance of restitution and fees within thirty (30) calendar days from the date of initial demand will receive a forty dollar (\$40) reduction from the class fee.

7.7.5 Administrative Fee

An administrative fee is permissible pursuant to PC 1001.65.

The COUNTY shall receive a percentage of all administrative fee revenues collected and the CONTRACTOR shall receive a percentage throughout the contract term except as indicated below. The percentages are included in Exhibit B, Pricing Schedule, Fee Distribution.

7.8 Payment Disbursements

- 7.8.1** All restitution and fee revenues shall be distributed along the following guidelines:

REVENUE TYPE

Victim Restitution

DISBURSEMENT CYCLE

Distributed by check to victim upon receipt of payment at the close of each month.

LADA's monthly revenue
share for prior month's receipts

COUNTY withdraws
automatically.

CONTRACTOR revenue share

Paid weekly by check

The CONTRACTOR shall prepare and submit a monthly reconciliation of the bank account at the end of each month, reconciling the CONTRACTOR'S accounting records to the bank statement balance. Any unidentified payment received by the CONTRACTOR from bad check writers shall be submitted to the COUNTY within 60 days.

The CONTRACTOR is authorized to enter into installment restitution repayment agreements with bad check writers provided that the CONTRACTOR does not extend any such agreement past six (6) months without COUNTY approval.

The CONTRACTOR shall maintain financial statements generated by the computer software application, including balance sheets, income statements, disbursements and receipts journals, checkbook register, and account receivables and accounts payable ledgers. The CONTRACTOR shall maintain and submit to the County Project Manager, a policies and procedures manual describing computer and manual fiscal operations, including all internal controls. The COUNTY may change these fiscal reporting requirements as needed, and at any time.

7.8.2 Payment Allocation

In cases where less than the total amount due on a given check is collected from a bad check writer, the CONTRACTOR shall allocate 70% of every payment to the victim until restitution is paid in full, not including the credit card convenience fees. The remaining 30% shall be allocated to class fees until paid in full, and then payment is allocated to administrative fees, in that order. Further, no bad check writer will be allowed to attend a bad check diversion class until all restitution, class, and administrative fees have been paid in full.

The following distribution priority shall be used:

- A) Up to **70%** of the payment is applied to the victim
- B) The remaining portion of the payment (**30%**) shall be applied to class fees until paid in full, and secondly to the balance of administrative fees due.

In cases where there are multiple victims, payments will be applied on a first-in, first-out basis, with respect to the complaint filing date.

Example

1. A bad check writer owes a total of \$300.00:

\$100.00	Restitution (two \$50 checks)
\$100.00	Administrative Fees (for both checks)
<u>\$100.00</u>	Diversion Class (Program) Fee
\$300.00	

2. Distribution of three partial payments of \$100.00 each based on the 70/30 formula:

	Victim Restitution	Diversion Class Fees	Administrative Fees DA 50%/Vendor 50%
\$100.00 @ 30 days	\$70.00	\$30.00	\$ 0.00
\$100.00 @ 60 days	\$30.00	\$70.00	\$ 0.00
\$100.00 @ 90 days	\$ 0.00	\$ 0.00	\$ 100.00

COUNTY may delay the last payment due until one (1) month after the termination of the contract. CONTRACTOR shall be liable for payment on thirty (30) days written notice of any offset authorized by the Contract, not deducted from any payment made by COUNTY to CONTRACTOR.

7.9 Reimbursement of County Program Staffing Costs

The CONTRACTOR guarantees reimbursement of all program staffing costs (defined as employee salaries, benefits, and overhead, calculated at the standard applicable rate) incurred by the COUNTY as referenced in Exhibit B, Pricing Schedule, Fee Distribution.

7.10 Diversion Classes

CONTRACTOR shall conduct all bad check writer educational classes for bad check writers to comply with the threshold terms of the restitution program set forth above. Classes shall typically be scheduled Saturdays, 8:00 a.m. to 4:30 p.m., at locations within Los Angeles County that are convenient to bad check writers. Class sizes will average 12 to 25 participants. Internet classes are not acceptable. Only those with valid medical, employment, other extreme hardship excuses, or check writers deemed ineligible by the COUNTY due to prior criminal convictions will be allowed to do an equivalent home study course.

The CONTRACTOR must obtain COUNTY approval of its bad check restitution class curriculum, and classroom location, prior to implementation. The CONTRACTOR'S responsibilities shall include:

scheduling classes; training, coordinating, and evaluating class instructors; sending notices to attendees; and maintaining detailed attendance records. In addition, the CONTRACTOR shall provide the COUNTY with monthly statistical reports, and a schedule of classes for each upcoming month. Detailed information regarding class attendees shall be available upon request. The COUNTY reserves the right to demand changes in the curriculum or structure of the class at any time.

A certificate of attendance shall be provided to each attendee who successfully completes the bad check restitution class. As with all other CONTRACTOR publications and printed materials, written COUNTY approval of form and content is required before this certificate may be used under this Contract.

7.11 Obtaining Suspect's Bank Records

When a bad check writer fails to comply with the terms of the Bad Check Restitution Program, the CONTRACTOR shall generate a COUNTY-approved letter to drawee bank pursuant to Cal. Govt. Code Section 7480(b), requesting copies of the signature card and pertinent records on the account. The CONTRACTOR shall maintain contact with drawee banks for the purpose of obtaining their full cooperation and compliance with Section 7480(b).

The CONTRACTOR must also provide a declaration in support of an arrest warrant to be signed by COUNTY investigative personnel. The COUNTY prior to implementation and use must approve the format for this narrative and the accompanying declaration.

7.12 Prosecution Referrals

Once the bank records are obtained, the CONTRACTOR shall then determine whether the case meets the standards set forth by the COUNTY for criminal prosecution referrals and forward any cases meeting these standards to the County Project Manager for review. The CONTRACTOR shall, within six months of receipt of the bad check(s), forward to the COUNTY those cases meeting the Bad Check Restitution Program's case issuance guidelines. When referring cases to the County Project Manager for possible prosecution, the CONTRACTOR will provide all documents and reports provided by the victim, and all documents generated by the CONTRACTOR concerning the case.

The CONTRACTOR shall provide the COUNTY with the following:

- The full name and a physical description of the person suspected of issuing the bad check(s).
- All original bad check(s) involved.
- Information and documents provided by the drawee bank.
- A hard copy of the computer file.

- A clearly written narrative description of the offense, available evidence, and a detailed description of all the efforts made to locate the bad check writer and obtain restitution, with corresponding descriptions of any results or response. The narrative shall relate all events in chronological order and provide the name of all the witnesses to the described events, including efforts to locate, contact and collect the outstanding sum from the bad check writer. The list of witnesses must include the name, address and telephone number of:
 - Eyewitness to the bad check transaction;
 - Anyone with personal knowledge of any goods or services provided in exchange for the bad check(s);
 - Anyone with personal knowledge of efforts undertaken by the victim to contact the bad check writer and obtain reimbursement;
 - The Custodian of Record for the bank upon which the bad check(s) was/were drawn; and
 - Anyone with personal knowledge of the efforts undertaken by those other than the victim to contact the bad check writer to obtain reimbursement or compliance with the requirements of the Bad Check Restitution Program.

The County Project Manager, prior to implementation and use, must approve the format for this narrative and the accompanying declaration.

7.13 Returning Original Checks

In all cases which do not result in criminal prosecution, the CONTRACTOR shall return all original bad checks with a letter of explanation to the bad check victim. The requirements may be waived either in writing by the victim, or upon reactivation of the bad check case due to the receipt of the payment from the bad check writer, new evidence, or new information on the bad check writer's location.

7.14 Reporting Requirements

The CONTRACTOR shall submit the following reports on a monthly basis to the COUNTY. The COUNTY may modify these reporting requirements on an as-needed basis at any time.

Monthly Revenue Summary:

All deposits made during the month shall be contained on this report with the following information: deposit dates and amounts, allocations of the deposit as restitution, administrative, and/or class fees.

Bank Reconciliation:

Reconciliation of the victim trust account balance to the bank's balance.

Bank Statement:

Provide a monthly copy.

New Complaints:

List of new complaints received and entered into the case management system for the month; organize by NSF check writer's last name.

Diversion Class Reports:

CONTRACTOR may be required to provide periodic administrative reports, upon request, to identify the volume of student participants enrolled in classes, the "no show" rate of enrolled participants at each class site, locations of classes, and other attendance and enrollment data which may be available through the CONTRACTOR'S database.

Daily Enrollment List:

CONTRACTOR shall provide a daily enrollment list of pre-trial bad check diversion program participants, for review by the County Project Manager. The County Project Manager shall review and confirm a variety of sample data on the daily enrollment list and return the list in its entirety as "approved," or indicate those enrollee's names which are not approved and approve all remaining enrollees identified on the list. The County Project Manager shall acknowledge enrollment list as soon as possible.

The CONTRACTOR shall submit the following reports to the COUNTY on a monthly basis:

- A summary list of new complaints received from the bad check victim, which were entered into the CONTRACTOR'S case management system.

Monthly Disbursements:

List of all checks paid to the victims during the month, and other expenditures paid out of the victim trust account.

Case Management Summary:

A monthly report detailing the volume of cases submitted to the County Project Manager meeting the prosecution criteria.

Upon request, the CONTRACTOR shall provide the following types of reports to the COUNTY:

Accounts Purged and Closed:

A listing of all accounts taken off the system during any particular period, with reasons and a summary report.

Statistical Reports:

Statistical reports including but not limited to the following: total complaints received, total files entered into the CONTRACTOR'S case management system, referrals for prosecution review, unable to locate cases, letters generated by status, number of bank records requested, total victim restitution recovered, total program and administrative fees collected, and total bank charges collected.

7.15 Record Maintenance and Retention

The CONTRACTOR shall maintain computerized records that encompass the entire bad check restitution collection process, including data on the bad checks received, victims and bad check writers, any restitution or fees collected, disbursements, cases closed, and referrals for prosecution. This information shall be made available to the COUNTY in printed and electronic form, and in a format to be specified by the COUNTY. Electronic and hard copy archives shall be maintained by the CONTRACTOR as specified by the COUNTY, including monthly back-ups of the entire check electronic data system. The COUNTY may modify record maintenance requirements as needed.

The CONTRACTOR shall retain daily program operational records including, but not limited to, CONTRACTOR employee information, files on bad check writers, complaint forms, checks, letters, correspondence, logs, bank records, CONTRACTOR internal notes and memoranda, and other pertinent financial records for a minimum of five (5) years. During this period, the CONTRACTOR may not destroy any records created under, or pertaining to, this Contract without prior COUNTY approval.

The CONTRACTOR shall produce any records pertaining to any relevant transaction or activity arising from this Bad Check Restitution Program Services Contract for inspection, copying, or audit by the COUNTY, or any authorized State or Federal agency, within two (2) calendar days of the COUNTY'S initial written request for such records.

Except as otherwise agreed, materials such as books, records, documents, case files, and District Attorney proprietary data must be kept in and maintained for a period of at least five (5) years after termination of the bad check contract, or until such time as all pending audits are completed, whichever is later.

Upon expiration, or in the event that this Contract is canceled by the COUNTY, all records, reports, tests and results, cases, files, correspondence and control documents, manuals, currency and negotiable instruments, relating to the operation of the Bad Check Restitution Program, shall be distributed and returned as directed by the COUNTY. Copies instead of original documentation may be returned, but the COUNTY retains all rights of access to the original whenever necessary. All materials described above shall be designated and remain COUNTY property.

Failure to comply with the maintenance and retention provisions delineated above shall constitute material breach of this Contract upon which the COUNTY may immediately terminate or suspend the Contract.

7.16 Contract Monitoring and Audit Requirements

Subject to COUNTY, and Auditor-Controller approval, the COUNTY shall pay for and oversee any necessary external audits, conducted with or without notice. The County Project Director or designee, may conduct on-line audits at anytime.

If the CONTRACTOR'S activities under this Contract are audited by any State, Federal, or government entity, the CONTRACTOR shall immediately file copies of any resulting final audit report with the Los Angeles County Auditor-Controller, the LADA'S Budget and Fiscal Services Division, and the County Project Manager, unless otherwise provided under this Contract, or as required by State or Federal law. The COUNTY shall make a reasonable effort to maintain the confidentiality of such audit reports. The CONTRACTOR must pay any sum reported as owing to bad check victims, or to the COUNTY within seven (7) calendar days of any audit finding which specifies an amount owed.

The County Project Manager and/or County Project Director may conduct monthly audits of any and all Bad Check Restitution Program records and documentation, which must be made available to the COUNTY at all times. Designees of the County Auditor-Controller's Office shall have the right to examine and audit monthly statements of income and monies received, books of accounts, records, and support source documents at any and all times.

In addition, the County Project Director shall select a firm from the Los Angeles County Auditor-Controller's "Master List of Contracted Audit Firms" or other Certified Public Accounting (CPA) firm to conduct an annual audit of the CONTRACTOR'S company. This audit will include a review of the CONTRACTOR'S financial records pertaining to the COUNTY'S Bad Check Restitution Program, books of account, records, support source documents, and internal controls at a cost not to exceed \$10,000 to be paid by the CONTRACTOR.

A copy of the CONTRACTOR'S final audit report shall be submitted to the COUNTY for its files. The COUNTY shall make a reasonable effort to maintain the confidentiality of the final audit report. The CONTRACTOR shall immediately modify any business processes to correct any audit findings indicated in the final audit report to the satisfaction of the COUNTY. Failure to correct any audit findings to the satisfaction of the COUNTY shall constitute a material breach of this Contract, upon which the COUNTY may immediately terminate or suspend the Contract.

7.17 Performance Standards

The COUNTY will monitor CONTRACTOR'S performance on a regular basis throughout the term of this Contract. The COUNTY will consult with the CONTRACTOR in any area of operational difficulty that may arise. However, the CONTRACTOR is solely responsible for maintaining program performance at the level specified in the Bad Check Restitution Program Services RFP and Contract. The CONTRACTOR and CONTRACTOR'S employees and agents, shall ensure that the procedures for dealing with bad check restitution are within legal requirements.

The CONTRACTOR shall indemnify the COUNTY for any loss sustained, or liability incurred by the COUNTY as a result of the CONTRACTOR'S breach of performance standards under this Contract.

7.18 Contract Discrepancy Reports

Every effort shall be made by the COUNTY to work with the CONTRACTOR to identify and resolve any problems that may arise out of performance under this Contract. However, should deviations from agreed-upon performance standards occur, the County Project Director shall issue a Contract Discrepancy Report describing the nature of the deviation. The CONTRACTOR must respond in writing within five (5) working days by identifying a plan and time schedule for resolving the problem, and describing in detail any corrective measures already taken at the time of the CONTRACTOR'S response.

7.19 Licenses and Credentials

Any employee or agent of the CONTRACTOR providing services under the Bad Check Restitution Program Services Contract which requires a specific license or credential must hold a current or valid license or credential without lapse, throughout the Contract period.

Any employee or agent of the CONTRACTOR who is required to drive a vehicle within the course and scope of employment related to the Bad Check Restitution Services Contract shall hold valid licenses without lapse and for the appropriate vehicle class, throughout the Contract period.

The CONTRACTOR shall maintain a file of required insurance, licenses and credentials for the CONTRACTOR'S business entity, all agents and employees, that is current and available for COUNTY inspection at all times upon request.

8.0 PERFORMANCE REQUIREMENTS SUMMARY

All listings of services used in the Performance Requirements Summary (PRS) are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of CONTRACTOR beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If

any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on CONTRACTOR.

- 8.1** The CONTRACTOR will keep electronic files, database, and other records set forth in the RFP and in the Bad Check Restitution Program Services Contract, and will allow case by case and global reviews of the CONTRACTOR'S bad checks operation by the COUNTY upon request.
- 8.2** The Bad Check Restitution Program management/administrative personnel provided by the CONTRACTOR shall meet the minimum requirements and perform satisfactorily.
- 8.3** The CONTRACTOR shall be responsible for providing competent staff to fulfill the Contract, and shall have complete flexibility for establishing an effective management and organizational structure.
 - 8.3.1** Each of CONTRACTOR'S staff performing services under this Contract who is in a designated sensitive position, as determined by COUNTY in COUNTY'S sole discretion, shall undergo and pass a background investigation to the satisfaction of COUNTY as a condition of beginning and continuing to perform services under this Contract. Such background investigation may include, but shall not be limited to, criminal conviction information obtained through fingerprints submitted to the California Department of Justice. The fees associated with the background investigation shall be at the expense of the CONTRACTOR, regardless if the member of CONTRACTOR'S staff passes or fails the background investigation.
- 8.4** The CONTRACTOR shall maintain a file of all relevant employment information on all personnel provided to the COUNTY. This file shall be made available for review if requested by the COUNTY during the term of the Contract.
- 8.5** CONTRACTOR shall maintain a level of staffing commensurate with the timely processing of bad check complaints, public contact, and educational requirements, and shall hire and train all qualified staff necessary to perform the various Bad Check Restitution Program functions, including but not limited to the following:
 - Project Manager
 - Community Relations Field Representative(s)
 - Account Clerks
 - Accountants
 - Information Processing Technicians
 - File Clerks
 - Telephone Operators
 - Diversion Class Coordinator
 - Diversion Class Instructors

- 8.6** The CONTRACTOR shall maintain all pertinent accounting, financial records, time cards, proprietary data, and other records relating to the Contract for a period of five (5) years after completion of the Contract unless COUNTY'S written permission is given to dispose of material prior to this time.

8.7 Confidentiality

The CONTRACTOR shall have a signed Acknowledgement of Responsibility for Confidentiality related to the CONTRACTOR for Bad Check Restitution Program Services from each employee or agent performing work under the Bad Check Services Contract. The COUNTY shall have full access to the CONTRACTOR records and files pertaining to the Bad Check Restitution Program and may conduct periodic reviews of these files, with or without notice.

The CONTRACTOR and CONTRACTOR'S employees and agents shall maintain confidentiality of all information received from the COUNTY except as otherwise specified in the Bad Check Restitution Program Services Contract. The CONTRACTOR shall remove any employees or agents violating the COUNTY confidentiality requirements. The CONTRACTOR shall further indemnify the COUNTY for any loss sustained or liability incurred by the COUNTY as a result of such breach.

- 8.8** The CONTRACTOR shall ensure that its employees will cross picket lines in the event of a strike or other work stoppage by COUNTY employees or by CONTRACTOR'S employees.

8.9 Recordkeeping

The COUNTY shall evaluate CONTRACTOR'S performance under the Bad Check Restitution Program Services Contract, not less than on an annual basis. Such evaluations will include assessment of the CONTRACTOR'S compliance with all contract terms and performance standards defined in this RFP, in the Bad Check Restitution Program Services Contract and by the County Project Manager.

When the CONTRACTOR'S performance does not conform to the requirements of this Contract, the COUNTY will have the option to apply the following non-performance remedies:

- Require CONTRACTOR to implement a formal corrective action plan, subject to approval by the COUNTY. In the plan, the CONTRACTOR must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.
- Reduce payment to CONTRACTOR by a computed amount based on the assessment fee(s) in the PRS.

- Reduce, suspend or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.
- Failure of the CONTRACTOR to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) days shall constitute authorization for the COUNTY to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of the CONTRACTOR'S failure to perform said service(s), as determined by the COUNTY, shall be credited to the COUNTY on the CONTRACTOR'S future invoice.

This section does not preclude the COUNTY'S right to terminate the Contract upon ten (10) days written notice with or without cause, as provided for in the Contract, Paragraph 8.0, Standard Terms and Conditions, Sub-paragraph 8.41 Termination for Convenience.

EXHIBIT B PRICING SCHEDULE

FEE/COLLECTION	AMOUNT
Restitution	Restitution Amount (Paid to Victim)
Educational Class Fee	\$165.00 per class A \$40 discount will be offered to participants who pay the full balance of Restitution and Class Fees within thirty (30) calendar days from the date of the initial demand.
Administrative Fee	\$50.00 per check (per statute)
Special Assessment and/or Special Handling Fee	None
Class Cancellation/Failure to Appear Rescheduling Fee	\$25.00 per cancellation/reschedule CONTRACTOR shall provide one courtesy reschedule at no cost.
Convenience Fee	\$10.00 per transaction (not to exceed \$10 during Contract term) For payments made via credit card or Western Union (or equivalent service)

**EXHIBIT B
PRICING SCHEDULE
FEE DISTRIBUTION**

RECIPIENT	PERCENT OF FEES COLLECTED
COUNTY	70% of Administrative Fee
CONTRACTOR	30% of Administrative Fee
CONTRACTOR	100% of Educational Class Fee
CONTRACTOR	100% of Rescheduling Fee
CONTRACTOR	100% of Convenience Fee

ADMINISTRATIVE FEES COLLECTED

At a minimum, the CONTRACTOR guarantees reimbursement of all program staffing costs (defined as employee salaries, benefits, and overhead, calculated at the standard applicable rate) incurred by the COUNTY. Program positions currently include:

- One County Project Manager at the level of District Attorney Supervising Administrative Assistant III or higher
- Two Assistant Administrators (Administrative Assistant II), and
- Three Clerical Assistants (Senior Typist Clerk)

Sixty (60) days before the end of each one-year cycle, the COUNTY shall calculate the total amount of revenue returned to the COUNTY by the CONTRACTOR during that year. Based on this amount and the actual cost of positions allocated to the program during the year, and on any relevant trend from prior years, the COUNTY shall determine whether revenue from the CONTRACTOR will be sufficient to cover program staffing costs. If revenue is determined not to be sufficient to cover COUNTY costs, the COUNTY will notify the CONTRACTOR of the shortfall, and the CONTRACTOR will reimburse the COUNTY for the amount of the shortfall within 30 days after the notice. CONTRACTOR'S failure to reimburse the COUNTY shall be grounds for termination for default.

If at any time during the life of the Contract, COUNTY staffing costs exceed the COUNTY'S share of the Administrative Fees collected, the parties shall discuss renegotiation of the Program Fee Distribution provided herein, prior to the CONTRACTOR being notified of a financial liability.

The COUNTY may not at any time increase program staffing in terms of number or position-types, based on workload and program needs without discussing with the

CONTRACTOR, and reaching a mutual agreement to be documented in accordance with Section 8.1, Change Notices and Amendments.

Overpayments

All overpayment balances of five dollars (\$5.00) or more shall be paid to the bad check writer(s) within ninety (90) days after the bad check writer satisfies all Program requirements.

EXHIBIT C
CONTRACTOR'S PROPOSED SCHEDULE

NOT APPLICABLE

EXHIBIT D
CONTRACTOR'S EEO CERTIFICATION

Contractor Name

Address

Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

- | | | |
|--|------------------------------|-----------------------------|
| 1. The Contractor has a written policy statement prohibiting discrimination in all phases of employment. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 2. The Contractor periodically conducts a self analysis or utilization analysis of its work force. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3. The Contractor has a system for determining if its employment practices are discriminatory against protected groups. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

Authorized Official's Printed Name and Title

Authorized Official's Signature

Date

EXHIBIT E
COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY EXECUTIVE DIRECTOR:

Name: Steve Cooley
Title: District Attorney
Address: 210 W. Temple Street, Suite 18-709
Los Angeles, CA 90012
Telephone: (213) 974-3501
Facsimile: (213) 687-8525
E-Mail Address: scooley@da.lacounty.gov
Authorized Representative: John Spillane, Chief Deputy
Authorized Representative: Sharon Matsumoto, Assistant District Attorney

COUNTY PROJECT DIRECTOR:

Name: Lynn Vodden
Title: Director, Bureau of Management & Budget
Address: 201 N. Figueroa Street, Suite 1300
Los Angeles, CA 90012
Telephone: (213) 202-7616
Facsimile: (213) 250-8757
E-Mail Address: lvodden@da.lacounty.gov
Authorized Representative: Priscilla Cruz, Assistant Director, BM&B

COUNTY PROJECT MANAGER:

Name: Luis Alvarez
Title: Program Administrator
Address: 201 N. Figueroa Street, Suite 1300
Los Angeles, CA 90012
Telephone: (213) 202-7630
Facsimile: (213) 202-6089
E-Mail Address: lalvarez@da.lacounty.gov

EXHIBIT F
CONTRACTOR'S ADMINISTRATION

CONTRACT NO. _____

CONTRACTOR'S PROJECT MANAGER:

Name:

Title:

Address:

Telephone:

Facsimile:

E-Mail Address:

CONTRACTOR'S AUTHORIZED OFFICIAL(S):

Name:

Title:

Address:

Telephone:

Facsimile:

E-Mail Address:

Name:

Title:

Address:

Telephone:

Facsimile:

E-Mail Address:

NOTICES TO CONTRACTOR SHALL BE SENT TO THE FOLLOWING:

Name:

Title:

Address:

Telephone:

Facsimile:

E-Mail:

EXHIBIT G1
CONTRACTOR ACKNOWLEDGMENT & CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

CONTRACTOR NAME _____ Contract
No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above-referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

EXHIBIT G2
CONTRACTOR EMPLOYEE ACKNOWLEDGMENT & CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name _____ Contract No. _____

Employee Name _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

EXHIBIT G3
CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

Contractor Name _____ Contract No. _____

Non-Employee Name _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

EXHIBIT H
Page 1 of 3
Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 - 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

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CONTRACTOR EMPLOYEE JURY SERVICE

- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deducts from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

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2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

EXHIBIT I

SAFELY SURRENDERED BABY LAW

Posters and Fact Sheets are available in English and Spanish for printing purposes at the following website:

www.babysafela.org

EXHIBIT I

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



EXHIBIT I

In Los Angeles County: 1 877 BABY SAFE 1 877 222 9723

www.babysafela.org

Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



EXHIBIT I

Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723
www.babysafela.org



EXHIBIT I

En el Condado de Los Angeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



STATEMENT OF WORK (SOW)

TECHNICAL EXHIBITS

**STATEMENT OF WORK
TECHNICAL EXHIBITS
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TO:

FROM:

DATES: **Prepared:** _____

Returned by Contractor: _____

Action Completed: _____

DISCREPANCY PROBLEMS:_____

Signature of County Representative

Date

CONTRACTOR RESPONSE (Cause and Corrective Action): _____

Signature of Contractor Representative

Date

COUNTY EVALUATION OF CONTRACTOR RESPONSE:_____

Signature of County Representative

Date

COUNTY ACTIONS:_____

CONTRACTOR NOTIFIED OF ACTION:

County Representative's Signature and Date _____

Contractor Representative's Signature and Date

TECHNICAL EXHIBIT 2
PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
BAD CHECK RESTITUTION PROGRAM SERVICES

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
Contract: Paragraph 7.0 - Administration of Contract- CONTRACTOR	COUNTY in writing of any change in name or address of the Project Manager.	Inspection & Observation	\$50 per occurrence
Contract: Sub-paragraph 8.37- Record Retention and Inspection/Audit Settlement	CONTRACTOR to maintain all required documents as specified in SOW, Sub-paragraph 7.15.	Inspection of files	\$50 per occurrence
Contract: Sub-paragraph 8.39- Subcontracting	CONTRACTOR shall obtain COUNTY'S written approval prior to subcontracting any work.	Inspection & Observation	\$100 per occurrence; possible termination for default of contract
SOW: Sub-paragraph 3.1 - Monthly Meetings	CONTRACTOR'S representative to attend scheduled monthly meetings.	Attendance	\$50 per occurrence
SOW: Sub-paragraph 8.2 - Program Management/ Administrative personnel	CONTRACTOR'S Program Manager shall meet the minimum requirements.	Inspection & Observation	\$100 per occurrence; possible termination for default of contract
SOW: Sub-paragraph 8.4- Personnel files	CONTRACTOR shall maintain relevant employment information on all personnel provided to COUNTY & available for review.	Inspection	\$50 per occurrence
SOW: Sub-paragraph 8.5 - Contractor Staffing level	CONTRACTOR shall maintain a level of staffing commensurate with the timely processing of NSF complaints.	Inspection & Observation	\$100 per occurrence; possible termination for default of contract
SOW: Sub-paragraph 7.2 - Computer and General Requirements	CONTRACTOR shall follow COUNTY'S specifications for all computer hardware and software items.	Inspection & Observation	\$100 per occurrence; possible termination for default of contract

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
SOW: Sub-paragraph 7.3 – Public Outreach	CONTRACTOR shall obtain COUNTY'S written approval prior to use of printed materials to promote the Program.	Inspection & Observation	\$50 per occurrence
SOW: Sub-paragraph 7.5.1 Restitution Efforts and Demand Letters	CONTRACTOR shall obtain COUNTY'S written approval of all demand notices and mail schedule prior to commencement of restitution collection efforts.	Inspection & Observation	\$50 per occurrence
SOW: Sub-paragraph 7.5.3 Restitution Collection Efforts and Demand Letters	CONTRACTOR shall abide by Statutes of Limitations per Cal. Penal Code Section 799 et seq.	Inspection & Observation	\$100 per first occurrence; \$500 for each occurrence; thereafter.
SOW: Sub-paragraph 7.6 – Payment Requirements	CONTRACTOR shall only accept U.S. currency, money orders, cashiers checks, major credit cards, or Western Union (or similar type service provider) in payment of restitution, administrative and class fees.	Inspection & Observation	\$50 per occurrence
SOW: Sub-paragraph 7.6 – Payment Requirements	CONTRACTOR shall deposit monies collected daily.	Review of reports	\$50 per occurrence
SOW: Sub-paragraph 7.7– Program Fees and Restitution Collected	CONTRACTOR must comply with Cal. Penal Code 1001.60-1001.67 regarding program fees, unless authorized by the COUNTY in writing.	Review of reports	\$100 per occurrence; possible termination for default of contract

SPECIFIC PERFORMANCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
SOW: Sub-paragraph 7.8– Payment Disbursements	CONTRACTOR shall maintain financial statements and submit to the COUNTY Project Monitor a policies and procedures manual describing fiscal operations.	Review of reports	\$50 per occurrence
SOW: Sub-paragraph 7.10– Diversion Classes	CONTRACTOR must obtain COUNTY'S approval of its bad check restitution class curriculum and classroom location prior to implementation.	Inspection & Observation	\$50 per occurrence
SOW: Sub-paragraph 7.12 – Prosecution Referrals	CONTRACTOR shall, within less than six months on which bad checks are received, forward to the LADA those cases meeting the program's case issuance guidelines.	Review of reports	\$50 per occurrence
SOW: Sub-paragraph 7.14 – Reporting Requirements	CONTRACTOR shall submit the listed documents/reports in the time indicated.	Inspection & Observation	\$50 per occurrence